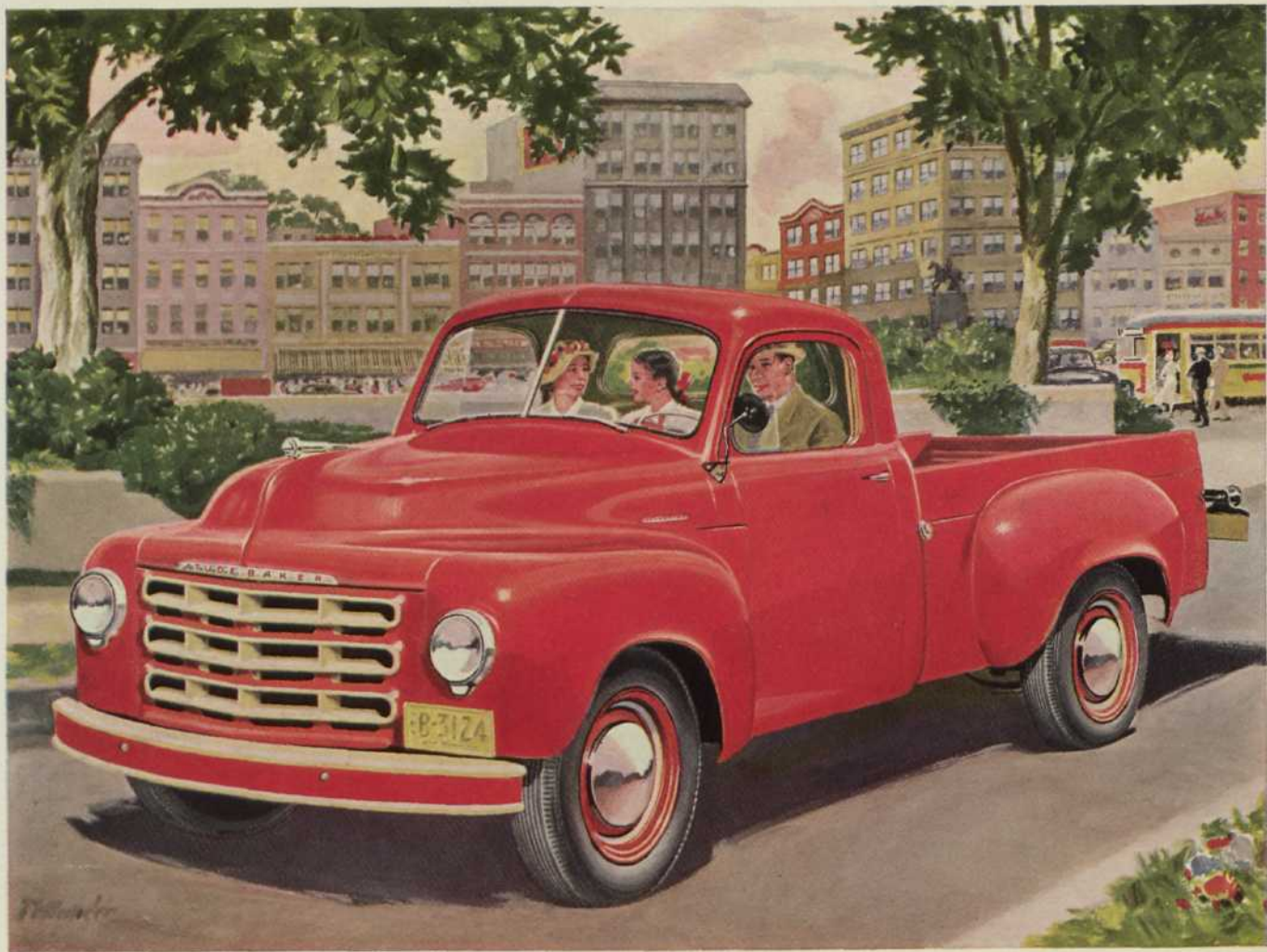


AUGUST 1950

# Nation's BUSINESS







1/2-ton 6 1/2-foot pick-up—3/4-ton and 1-ton 8-foot pick-ups are also available

## First trucks with thrifty automatic overdrive!

**A** GAIN Studebaker has been first to score with a real advance in truck engineering!

Studebaker's thrift-assuring automatic overdrive is available at extra cost in the half ton and three-quarter ton Studebaker trucks.

This Studebaker automatic overdrive transmission starts paying its way right away in extra mileage per gallon—and, what's more, it lengthens engine life. Engine revolutions are reduced about one-third—without affecting road speed!

Automatic overdrive or not, you save substan-

tially on all your hauling costs with any of the rugged, reliable new Studebaker trucks.

A Studebaker Econ-o-miser or Power-Plus engine, exactly right in torque and horsepower, comes through with superb, low-cost performance for you mile after mile. Get the convincing proof. Stop in and see a nearby Studebaker dealer now.

## STUDEBAKER TRUCKS

*Noted for low-cost operation*



Hefty loads or small, there's a Studebaker truck just right for hundreds of different hauling requirements. Husky, handsome, powerful Studebaker trucks in 1/2 ton, 3/4 ton, 1 ton, 1 1/2 ton and 2 ton models.



Low cab floor—cab steps fully enclosed! Cab doors open wide—have automatic "hold open" stops—close securely on tight-gripping rotary latches. Cab door windows have built-in ventilating wings.



Two foot-regulated floor ventilators let fresh air stream in and circulate freely throughout the cab. Wide cab seat has a restful Adjusto-Air cushion. Big windshield and windows assure exceptional visibility.



Father-and-son teams and other trustworthy craftsmen build wear-resisting ruggedness into all Studebaker trucks. The result is real protection against costly repairs. © Studebaker, South Bend 27, Indiana, U.S.A.





# GRAND *to work in to live in* RAPIDS, Michigan

To find a city larger or smaller than Grand Rapids is easy. To find a city that so successfully blends big city advantages with small city charm and stability is another matter.

With 180,000 people within its corporate limits and 325,000 within its retail trading area, Grand Rapids is the largest city of *Outstate Michigan*. It is big enough to include hundreds of diversified industries. It has stores and shops of metropolitan quality, outstanding hotels, and one of America's finest civic auditoriums. It is a highly favored convention city and, though furniture manufacturing is only one of its many industries, it is recognized as "the Furniture Capital of America."

But Grand Rapids is small enough to be without slums or organized crime. It is not too big for spacious lawns. It is small enough that every resident is within easy driving distance of countless fishing, hunting and picnic spots.

The important thing about Grand Rapids is not the number of people but the *kind* of people. Grand Rapids citizens take pride in their city and in their work. They are industrious and thrifty. In percentage of home ownership Grand Rapids ranks among the top three cities in the "over 150,000" group. The good citizenship of Grand Rapids men and women is suggested by some of the city's institutions — the

Symphony Orchestra, the Civic Theater, the Schubert Club, the St. Cecelia Society, the Art Gallery, the Furniture Museum. There are three colleges — Calvin, Aquinas and Grand Rapids Junior College.

For business, for industry, for cultural advantages . . . as a place to live and work and raise a family . . . Grand Rapids is hard to beat.

## *Check These Advantages of Outstate Michigan*

- ★ Exceptionally High Percentage of Skilled Workers
- ★ In the Great Market Center of America
- ★ Wide Range of Manufacturing Parts, Materials and Supplies
- ★ Many Basic Materials Right at Hand
- ★ No State Income Tax
- ★ Unlimited Fresh Water Supply
- ★ Desirable Plants and Plant Sites
- ★ Dependable Electric Service at Fair Rates
- ★ Excellent Living Conditions and Cultural Opportunities
- ★ Woods and Lakes That Have Made This a Foremost Vacation Area



\*Shading on map shows territory

served by Consumers Power Company

N-7-NB





## Cheboygan's Operation Bootstrap!

By last November, Cheboygan Mich. (pop. 13,000) was in bad shape. Six of the eight war-time factories were closed. Two of the three older firms had quit, one was running at 35% capacity. Half of the town's workers were idle . . . Three hundred miles north of Detroit, the winters are long and hard. Cheboygan's harried Mayor put in a fast call for the state's Full Employment Committee.

The Michigan FEC made a thorough survey, diagnosed Cheboygan's trouble as civic apathy. The town had lost population for twenty years. Streets were potholed, stores needed paint, the banks held on to their money. A third of the residents went outside to bank and buy.

The remedy—*not relief, but recovery through enterprise!* A local committee raised money to modernize old factories. One bank reorganized, doubled its loans *and deposits* in five months!

An industrial representative was hired, persuaded two Detroit companies to take over local plants. A building boom began. Cheboygan is on its feet again! . . . and similarly all over Michigan, small towns are benefiting their affairs by intelligent self help!

No matter where you live, how poorly or well your own community is faring these days . . . every reader of *Nation's Business* will find solid sense, practical suggestion and real inspiration . . . in this article by Holmes Alexander—

## The Boot Straps of Michigan

next month—in **NATION'S BUSINESS**

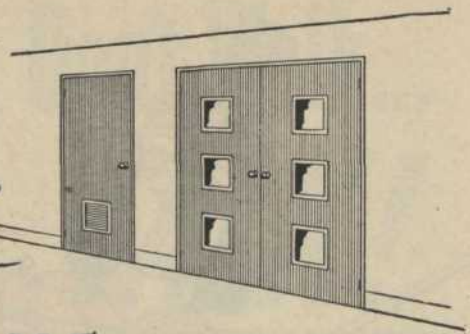




# Announcing

## THE MOST HANDSOME

## DOORS IN AMERICA!



### ALL-ALUMINUM FLUSH DOORS BY KAWNEER

#### Ideal for:

Stores, Restaurants,  
Theatres, Hospitals,  
Schools, Offices,  
Hotels, Apartment  
Buildings, Homes,  
Factories, etc.

Rich modern beauty dramatizes any exterior or interior with Kawneer All-Aluminum Flush Doors. Their lustrous finish and simplicity of styling makes them unequaled in striking eye-appeal.

An exclusive Kawneer method (Patent Pending) locks the doors together as a rugged integral unit with no bolts or welds visible. Precision-made and carefully balanced, they'll operate smoothly and easily through the years.

Write Department NB-52 at 1105 North Front Street, Niles, Michigan, or 930 Dwight Way, Berkeley, California.

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COMPANY

ARCHITECTURAL METAL PRODUCTS

Store Front Metals  
Aluminum Roll-Type Awnings  
Modern Entrances • Aluminum Facing Materials  
Flush Doors







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25 YEARS OF EXPERIENCE IN  
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SAN FRANCISCO 2



# Nation's Business

PUBLISHED BY  
CHAMBER OF COMMERCE OF THE UNITED STATES

VOL. 38

AUGUST, 1950

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# Don't Walk... TALK!



## THE NEW EXECUTONE INTERCOM

**Saves steps, increases  
output, cuts costs!**

Compute the cost of time wasted by executives and employees running back and forth. *That's how much the NEW Executone Intercom can save you!* Your voice—with lightning speed—gets information, gives instructions. Your employees accomplish more, too, with inter-departmental communication. "Inside calls" no longer tie up telephone lines. Office and plant operate at a new peak of efficiency!

**Years ahead of its time  
in operation and design!**

"CHIME-MATIC" Signalling announces calls with a soft chime and signal light, saves time on every call. New switching circuits for every need make new savings possible. Voices are clearer, distinct, instantly recognizable. Inexpensive 2 station system easily expanded. See it—no obligation. Just mail the coupon.

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Without obligation, please let me have:

- ☐ The name of your local Distributor  
☐ Complete descriptive literature

NAME.....

FIRM.....

ADDRESS.....CITY.....



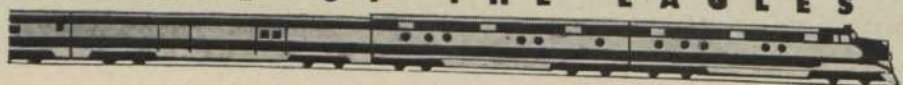


...from its luxurious streamlined Eagle passenger trains to its fast, dependable diesel powered freight trains, MISSOURI PACIFIC employs every modern means to maintain an enviable record of service and safety, care and courtesy.

...planning on the MO-PAC assures shippers and passengers, alike, the finest facilities for transportation that science and engineering have achieved.



ROUTE OF THE EAGLES



## ABOUT OUR AUTHORS

SOME years ago **ALLEN CHURCHILL**, author of the profile on Richard Rodgers, was at a friend's house when a group of old-time vaudevillians dropped in. They began reminiscing about how they had wowed them in Akron, slain them in Dubuque and blasted them in the aisles in St. Paul. Churchill, a nonthespian, couldn't enter into this, and one of the troupers noticed it. Throwing his arm around Churchill's shoulders, he asked, "What's your line, buddy? You a straight man?"

"I wasn't a straight man then," says Churchill, "but as someone who likes to write about personalities, I feel like one. Writing about people consists chiefly in asking questions—the straight man's function. Sometimes as I do this the process even approaches a comic routine. People you have selected to write about always are delighted to see you at first, and gladly tell you what they consider to be everything. But when you try to find out more, as you must, they get heartily tired of you."

Before Pearl Harbor, Churchill was a desk editor on three magazines and two publishing houses. During the war he was assigned to *Yank* where, instead of dishing out assignments, he had them tossed at him. Last year he was tempted back to a desk as managing editor. A month later he left the desk and never went back.

A NATIVE of western Michigan—specifically, Traverse City—**HAROLD TITUS** has shot all manner of upland game all over the country for—almost—the past half century.



However, he's willing to give the other boys his share of every species except the ruffed grouse.

"It's the bird of my boyhood," says Titus, "and, for my money, the finest thing on wings. I'd rather shoot at one and miss than take my limit of anything else—and, brother, I miss



plenty. However, hunting grouse without a dog is a pastime that just doesn't interest me. I've owned gun dogs since I was seven years old and hope to own them until I can no longer locomote from bedside to grouse covert."

Titus thinks he holds a country-wide record in having served for 20 years as a member of the Michigan Conservation Commission.

But more than that, he got a whale of a lot of fun out of putting in—for free—maybe a quarter of his time trying to make the Michigan outdoors a happier place for the folk to be who like that sort of thing.

"Otherwise," adds Titus, "I've made my living by free-lance writing since 1912 and, with my left hand, manage a 100 acre cherry and apple orchard."

A GLOBAL wayfarer of the first order is **JOSEPH WECHSBERG**. Born 42 years ago in Czechoslovakia, he was once a political writer and special correspondent for lead-



ing Czech, Dutch and Swiss papers in pre-Nazi Europe. He covered the wars in Manchuria, Ethiopia and Spain, and has made four trips around the world in the past 12 years.

This earth-girdling business started when Wechsberg signed on as a ship's musician, a good way, he figured, of seeing the world and getting paid for it. In the course of his travels he witnessed the Great American Invasion of Montmartre and Montparnasse in the early '20's, filmed the first siege of Shanghai and worked on a Malay rubber plantation. Switching from odd jobs to free-lance journalism, he has been roaming ever since.

There is also a military side to Wechsberg. He's a veteran of two wars and two armies. As a lieutenant in the Czech army he had a taste of semi-combat during that country's mobilization in 1938. In World War II he joined the U. S. Army as a private and was mustered out a sergeant.

Now an American citizen, Wechsberg is a popular contributor to the country's top magazines.

WE'RE not running a Fourth of July cover in August as has been suggested. Saratoga Springs just happens to take on a holiday air when its horse racing season begins. At least that's how it looked to illustrator **BEN PRINS**.



## Don't let this cost you your job!

### A FLASH OFFICE FIRE . . . VITAL RECORDS BURNED TO A CRISP, IN SECONDS . . .

Tough luck for the person-in-charge-of-records who didn't know these facts:

Ordinary wooden or metal files can't be trusted to protect any vital records against fire. Temperatures above 350°F.—common even in a flash fire—cremate papers instantly without exposure to flame . . .

Suppose your company's records burned!—could you furnish sufficient *proof of loss* to collect on fire insurance? More important, could you duplicate *all* the records your company *must* have to stay in business? **Remember: Some of the most disastrous fires have occurred in fireproof buildings. And 43 out of 100 firms that lose their records in fire, never reopen.** So don't gamble with your company's future. . . or your own!



Mosler Insulated Record Containers combine the convenience of a file with the protection of a safe. Available in 2, 3, or 4 drawer heights, letter or legal width—wide variety of finishes.

←**GET POSITIVE PROTECTION, NOW!** Install Mosler Insulated Record Containers . . . They provide the constant, on-the-spot protection of a one-hour Underwriters' Laboratories, Inc., Class C, tested and approved safe—plus the convenience of a modern, efficient filing system. Insulated receding door locks over file drawers . . . seals fire out! Yet, it costs so little for this invaluable protection.

Why take chances? See your Mosler dealer today, and be sure! Send for the illustrated booklet, "Mosler Insulated Record Containers."

## The Mosler Safe Co.

Main Office: 320 Fifth Avenue  
New York 1, N. Y.

Since 1848

Dealers in principal cities  
Factories: Hamilton, Ohio  
Largest Builders of Safes  
and Vaults in the World



Builders of the U. S. Gold Storage  
Vault Doors at Fort Knox, Ky.

### —FILL OUT AND MAIL TODAY!—

THE MOSLER SAFE CO., Department 38  
320 Fifth Ave., New York 1, N. Y.

Please send me:

- ☐ The new free booklet, "Mosler Insulated Record Containers."
- ☐ The name of my nearest Mosler Dealer.

Name.....

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Year in and year out  
you'll do well with the  
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THE  
**AMERICAN  
APPRAISAL  
COMPANY**



Valuation of  
Tangible and Intangible  
Properties for  
Insurance Accounting  
Finance Tax and  
Legal Requirements



### Sizzle and steak

AS WE recall it, Elmer Wheeler coined the phrase, "Sell the sizzle, not the steak!" Wheeler teaches the value of using the right words in the cause of successful salesmanship.

However, some advertising experts now claim that there is a little too much emphasis upon the "sizzle" these days. Howard P. Abrahams, manager of the sales promotion division of the National Retail Dry Goods Association, is one of these. He titled a talk before the Pittsburgh Advertising Club recently as "Forget the Sizzle, Sell the Steak."

Instead of emphasizing the qualities of a product, we are now stressing the "gimmicks," he contended. Cheapness, overuse of sex, exaggeration (or overenthusiasm) and unbelievable testimonials are common trends. He quotes one agency executive as saying that there is a "strong smell of the old circus side show" in motion picture advertising, for instance.

"I hope we can close the door on the 'gimmicks' and the 'sizzles,'" Abrahams said, "and go back to selling merchandise. The need is apparent. Consumption, in most cases, has caught up with demand. Both must be speeded to hold up employment, to hold up our American standard of living."

### "Atomic" bookkeeping

FOR THE Atomic Age there is now "atomic" bookkeeping—at least that's the way Joe L. Schmitt, Jr., describes it. He has patented a system of double-entry bookkeeping by machine methods which cuts accounting costs in half and time to one half of the manual method. The job can be done for a small business man for as low as \$21.50 a month.

Tabulating cards are the "atoms" of the method, each a record of one

transaction. The form is supplied by centralized bureaus now operating in 11 states with five more to be added. With his patented system of coding the punched card, Schmitt can use the same card for eight different recordings of the information. Usual methods would require eight different cards.

Schmitt believes cities of 10,000 or more population will support the operation of at least one central bureau to handle small business bookkeeping. He hopes ultimately to set up the system in 380 cities.

### O. K. for branch stores

FINAL STUDIES have yet to be completed on the operation results of branch stores but the Harvard Bureau of Business Research apparently concluded that this new development in the department store field did pretty well last year. The Bureau makes an annual survey of department store operations for the National Retail Dry Goods Association.

The big stores benefited by having branches in 1949. Their sales held up better and their profits were higher by reason of higher gross margins. For the group of 21 companies which had branches, these units accounted for 12 per cent of total sales.

There is great interest in the department store field in these performance results because the big stores have been affected on the one hand by traffic congestion and on the other by the movement of so many customers to the suburbs.

### House organ wants

IN THESE troubled days for labor relations, a man who can and does perform yeoman service is the industrial editor. That is, if he is competent in his own right and enjoys the cooperation of enlightened management. Otherwise, the house magazine he directs may be just a



"throw-away" or even a breeder of ill will.

Before a meeting of the House Magazine Institute, James Tanham, vice president for industrial and public relations of The Texas Company, explained what management expects of the company publication. Significantly, he included what the editor ought to have to meet these expectations. Here was his summary:

"Management expects the publication to be profitable (in terms of better understanding and good will), it expects the magazine to be read, it expects it fairly and accurately to present management's attitudes and policies, and it expects the publication to promote understanding and good will.

"To realize these expectations of management the editor should have with management a clear understanding of what management expects, he should have an arrangement that keeps him informed on company policies and the reasons for the policies, he should have an adequate budget, and he should have the stimulation of contacts within and without his organization."

Since the house magazines in the Institute represent a readership of more than 5,000,000 workers, it is evident why this prescription is good medicine all around.

### Cost men tackle sales

CREDIT MEN, who once upon a time just determined how much credit a customer should be given, whether he was paying his bills promptly and what settlement should be made with bankrupt debtors, now are moving into financial management of their companies and also lending able assistance to sales departments. Theirs was a minor function years ago. Today they are often company officers.

In the cost accounting field a similar development is taking place. Accountants may be fiscal officers. J. P. Compton, assistant secretary-treasurer of the American Asphalt Corporation of Kansas City, Mo., believes that, like the credit man, the accountant can offer practical help to the sales division. He sums it up this way in the *N.A.C.A. Bulletin*, official publication of the National Association of Cost Accountants:

"It would be needless for me to point out the contributions which accountants have made to production efficiency. They have promoted cost control, productivity measurements, planning and



Betty works at the Acme Manufacturing Company. Every night she balances the office cash—the easy way. Her low-cost, hand-operated Burroughs gives her first-time accuracy . . . cuts balancing time in half.

## Match your Business Tools to your Business Tasks



Martha's figure work at the Larson Lumber Company is all in feet and inches. Annoying? Not at all! Her electrically operated Burroughs computes in fractions, gives her the right answers fast!




At the Bon Ton, Emily spends hours listing sales by departments. She'd spend a lot more time, though, without her two-total Burroughs. It supplies department totals plus a grand total of all departments in a single run.

### SEE HOW THE RIGHT BURROUGHS ADDING MACHINE MAKES YOUR FIGURING FASTER, EASIER, THRIFTIER

With your specific figuring needs in mind, examine the new Burroughs line. Notice what a wide choice you have . . . how it includes the right adding machine for every figuring job. Then select the Burroughs that best suits your scheme of business. Look at it—smooth, smart and sturdy. Operate it—swift, sure and simple. Judge it on all points—you'll know there's a Burroughs that will do your figuring work better . . . at less cost.



WHEREVER THERE'S BUSINESS THERE'S

**Burroughs** 

BURROUGHS ADDING MACHINE COMPANY  
DETROIT 32, MICHIGAN

NAME \_\_\_\_\_  
COMPANY \_\_\_\_\_  
ADDRESS \_\_\_\_\_

Please send me descriptive folder and prices on Burroughs adding machines.

NE-38



# WORKING CAPITAL TIGHT?

## *Here is a Simple, Practical Solution*

Commercial Credit has a proposal that can increase your Working Capital 20%, 30%, 40% or more. We will not buy stock debentures, other capital issues or become a partner in your company. But we can offer you the advantages of these ways of raising Capital without the disadvantages.

This result is accomplished quickly, usually within four or five days after the initial contact. It is accomplished without any fees, commissions, or other preliminary charges. Our way enables you to retain full ownership. There is no dilution of control or profits.

Commercial Credit funds are available as long as you need them, but there is no cost if

your need for extra capital is eliminated. Our one charge is reasonable and (unlike dividends) it is a business expense, tax deductible.

## *Use Our Money to Make More Money*

Business volume is good but competition is keener and profit margins lower. This condition gives a decided advantage to the company with sufficient capital to take advantage of favorable buying opportunities, keep production methods modern, carry on aggressive sales and merchandising activities.

Just phone, write or wire the nearest Commercial Credit Corporation office below and say, "Send me complete information about the plan referred to in *Nation's Business*."

**COMMERCIAL FINANCING DIVISIONS:** Baltimore 2 • New York 17 • Chicago 6  
Los Angeles 14 • San Francisco 6 . . . and more than 300 other financing offices  
in principal cities of the United States and Canada.



scheduling, and all of these media have contributed to more goods at lower cost. For this reason, it is not amiss to suggest that the same talents be directed to the problem which is most important to a company, i.e., the selling of merchandise."

Then he details how sales performance can be analyzed and in ways not entirely revealed by dollar statistics.

## **Signing checks**

EVEN IF you don't use a mechanical check signer—and George W. Adlam would be pleased if you decided to get one—there is a good tip in the suggestion that you use a different signature for correspondence than for checks and other financial transactions. Adlam is chief investigator for the Todd Company of Rochester, N. Y., a leading manufacturer of checks and check protective equipment.

He explains that a number of investigations have revealed that forgers write seemingly unimportant letters of inquiry to company treasurers, public officials and others simply to get a sample signature. They also go in for autograph collecting.

"No one," advises Adlam, "should use the same signature on checks and general correspondence."

## **Crisis in tools**

ONE of the basic problems confronting British industry is acknowledged to be obsolete equipment. Money was not plowed back into new tools because competition had become too complacent.

In this country producers are being warned of a similar development. Thus, L. W. Scott Alter, president and general manager of the American Tool Works Company, Cincinnati, Ohio, and chairman of the public relations committee of the National Machine Tool Builders' Association, recently asserted at a forum that by 1955 more than three out of every four machine tools in this country will be at least ten years old.

"A company can be 'financially solvent' and yet 'mechanically bankrupt,'" Alter said, "provided that the money squeezed out of shop economy has not already been dissipated in unwarranted dividends, excessive inventories or unprofitable extracurricular activities."

By-passing other methods of appraising mechanical worth, Alter came up with the suggestion that used machinery dealers be called



upon to provide a firm bid on each item of equipment.

In recent months the new order index for machine tools started to climb again. After referred to a survey, however, which showed that in spite of the tremendous war boom the ratio of tools less than ten years old is the same as it was in 1925.

### Pay for bosses

THE CORE of the free enterprise system is obviously the men who run it. Since most of these important men are company officials, the question has been raised about their salaries and incentives.

Are they paid enough to enlist their best efforts now that high income taxes lop off so much of the gilt?

H. Frederick Willkie, executive vice president of Joseph E. Seagram & Sons, Inc., distillers, has worked up a preliminary study for the Business Research Fund of the University of Indiana Foundation. He found that no adequate survey had been made of the subject for at least ten years.

One question to be asked in the initial research, Willkie suggests, is whether some big jobs are going begging either for lack of qualified men or because qualified men don't want them for one reason or another. It is recognized, for instance, that deferred compensation plans are cutting down on the mobility of executives.

Out of this study project will undoubtedly come some recommendations for federal tax structure changes aimed at putting more zip into free enterprisers.

### No buttercakes

WHAT does the average New Yorker eat and drink? Well, for one thing, he drinks almost as many glasses of milk as what he buys with one foot on the rail. The Childs Company, operating 26 restaurants in the city, reports 7,000,000 glasses of milk as against 7,700,000 bar drinks were sold last year. Coffee hit 25,000,000 cups.

Meat, potatoes and other vegetables stood each at the same mark of 4,000,000 pounds. Then, some 3,000,000 griddle cakes and 3,500,000 egg orders were served.

We thought the figure should be higher but the chefs and buyers came up with only 19,000 pounds of parsley. All this parsley and not even a listing for buttercakes—that old-time specialty which calmed down many a gnawing tummy at the modest price of a nickel.

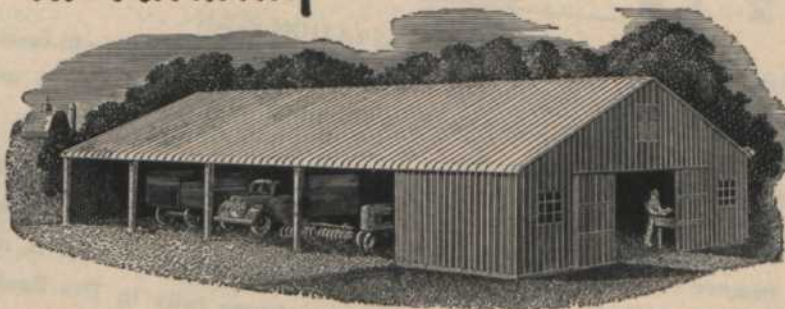
## - in Industry



## - in Commerce



## - in Farming



# BUTLER Steel Buildings

Savings of 33 1/3% to 50% over other structures are reported by users of Butler Buildings. Too, they praise the adaptability, fast erection and permanence of these buildings.

See how quickly and economically you can put them to work for you. Mail coupon today for full information.

*Easily insulated at lowest cost.*  
Sizes: 20', 24', 28', 32', 36', 40', 50' and 60' widths. Lengths variable.

See Your Local Butler Distributor or . . .



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MANUFACTURING  
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# MANAGEMENT'S *Washington* LETTER

► **WHATEVER HAPPENS:** Be ready for substantial changes in your business.

You're in a boom—if nothing else—and it's growing.

► **HERE ARE STEPS** to watch for now—

1. Rising demand for goods, services.
2. Increasing inflationary trends.
3. Widespread controls.

Will this succession take place?

Ask Joe.

It depends on international political actions—moves you can't anticipate.

U. S. has undertaken job of policing a world plentifully populated with the lawless, a job of containing communism by aggressive action.

It's a big job. U. S. commitments range over western Europe and a vast area in Asia.

It will take men, materials, money.

How much of these it takes will determine the course and extent of coming changes.

If war widens—the demand-inflation-controls succession will take place with lightning speed.

Page one of your daily newspaper is today's best barometer of the atmosphere in which you'll do business tomorrow.

► **BUSINESS ALREADY WAS** booming when shooting war came.

Steel was operating at levels above rated capacity—a capacity 3,000,000 tons greater than it was year ago.

And it was reliably reported that 25 per cent of the steel going into record-breaking auto production was purchased at higher than mill prices.

Firming farm products prices brought new, higher estimates of farm income.

And merchants in midwestern agricultural area communities were enjoying unexpected prosperity.

Here and there partly finished houses stood idle because yards were out of some sizes, grades of lumber. Used car prices were firming. Employers complained of labor pirating.

The boom was gathering momentum.

► **ON TOP OF STRONG** demands of booming business comes another layer of demand—to meet the needs of military action, of the nation's new armed-camp state of living.

You can expect to feel effects of this

new layer—whether war widens or recedes.

There will be more men in services, more goods to supply them, more federal expenditures to cover the cost.

Each step taken to implement new policing policy means more production.

► **DEMAND CREATED** by manufacture and use of armament varies widely with types—but the over-all is nearly as broad as the economy itself.

Increasing use of military aircraft, supporting commercial craft, means sharply rising consumption of aviation gasoline, kerosene (for jets), oil, rubber, ammunition. And sharply rising need for replacements.

Let's look at a four-engine military transport of the type currently in use, to get an idea of the skills, materials involved in its building.

It's made up of more than 40,000 pounds of frame, engines and equipment.

All the metals in it—steel, copper, aluminum and others—are of special alloys and specifications—even bolts and rivets.

In addition to powerful landing lights and tiny instrument lights, its electrical system includes various generators, converters, motors to activate pumps in each of its fuel tanks, and in its reserve oil tanks.

It carries at least three radio receivers and transmitters plus radio direction-finding apparatus duplicated in case of failure, plus some form of radar navigational equipment.

The plane has a high pressure hydraulic system that activates landing gear, brakes, flaps.

It has about 60 controls and instruments on its various panels, including eight or 10 that contain gyroscopes.

Its building requires hundreds of skills found in dozens of plants.

Which suggests spread of armament's requirements through the nation's economy.

► **PRICES REFLECT** current conditions. They move with, or closely follow, demand.

Materials prices had been rising for weeks before the crack of rifle fire in Asia brought new demands for arms.

This price movement was result of



# MANAGEMENT'S *Washington* LETTER

steady, gradual rise in industrial production, general business activity that had been under way.

Its effect had not yet reached retail price tags.

So consumers will see two upward steps in the prices they pay—one resulting from the pre-Korea rise, the other brought on by the post-Korea boom.

Note: Higher prices bring higher dollar volume—but at some point they also bring refusal to buy.

## ► WATCH FOR LABOR shortages in production centers.

Some Detroit plant managers complained privately months ago that others were taking away skilled men with bonuses.

At that time Detroit was setting records in auto production—and at the same time its army, navy orders reached highest level since World War II.

That was before shooting in Korea.

Synthetic rubber plants are being reactivated in petroleum-refining centers that have seen little or no let-up in their postwar prosperity.

Speeded up delivery schedules for military aircraft will spread hurry-up orders through metals, electrical, other industries already on high level production schedules.

And don't overlook labor scarcities likely to develop in non-war lines as:

Builders rush to complete construction or get new starts under way before restrictions block them.

And as non-essential goods plants rush to meet commitments before they are checked by rising prices or materials allocations.

## ► WHAT HAPPENS when labor shortages develop?

Same thing that happens when goods or materials become scarce in relation to demand. Price goes up.

In Cleveland last month union scale for bricklayers was \$2.75 an hour.

But many bricklayers were being paid \$30 a day—and were guaranteed a five-day pay week even if rain stopped the job.

Those weren't union conditions. They were arrangements made by builders who wanted bricklayers.

New boom will bring more pay pre-

miums—and still more pay demands.

Thus stage is set for spiraling inflation—rising prices leading into higher pay demands resulting in still higher prices and new demands.

## ► WILL INFLATION reach point that results in controls?

Depends on extent of war.

There's no doubt of Administration's desire to avoid controls, to maintain business as usual. At least through November elections.

Experts attached to military planning have assured White House that requirements could be held to point avoiding inflation.

But weeks ago Government lined up paper that might be necessary for ration books.

## ► DON'T FORGET that when controls come someone gets hurt.

Now's the time to figure out how your business would fit into full-scale war economy.

Don't be caught in position of the Army plans officer who complained: "I thought we had two or three years to get ready. Now we should be ready today."

Do your thinking, planning now—even if that's all you have to do. Would allocations break your flow of materials? What would it take to convert to war-essentials?

What might happen if you don't?

## ► LOOK AT TODAY'S prices—not at old OPA lists—to see at what levels prices might be frozen.

Last time freeze came at prices at or even slightly above going rates.

Today's levels are far higher—in many instances double. Roll-back to old OPA prices.

## ► REMEMBER L-41?

Two months before Pearl Harbor Government issued order limiting construction to that necessary for national defense, requiring priorities for materials.

But priorities were issued freely, soon became hunting licenses to those seeking materials.

Then—three months after Pearl Harbor—came L-41.

It prohibited all civilian construction not essential to war "except chicken coops," in the words of Donald M. Nelson, then War Production Board chief.

L-41 and its precedent order were among the first to cut down sharply on the less essential part of civilian economy.

Note: Lessons learned in World War II



will result in sharper restrictions at start of next control period.

There will be fewer hunting licenses issued.

► NEVER BEFORE HAS U. S. production capacity, labor force been so large.

And never before have American corporations been in a stronger working capital position.

Securities & Exchange Commission reports current assets of U. S. corporations total \$124,800,000,000. Current liabilities are \$55,800,000,000.

Which leaves net of \$69,000,000,000—more than twice the nation's corporate net assets at the start of World War II.

More than \$74,000,000,000 has been invested in plant and equipment in past five years.

► U. S. HIGHWAY SYSTEM is losing ground against vastly expanded number of cars, trucks using it.

That's one part of U. S. plant in condition relatively worse now than in 1945.

Joint Committee on the Economic Report estimates it would take \$41,000,000,000 to provide highway system adequate to meet present needs.

Bureau of Public Roads says cost of needed improvements to interstate system alone would be \$11,200,000,000.

Total expenditures for highways—federal, state and local—is running about \$3,000,000,000 a year—and a large part of that is for maintenance.

States pick up the tab on about 60 per cent of all highway expenditures. The rest is divided about equally between cities, other local subdivisions and the federal Government.

► NO ONE KNOWS what Russia spends on arms—but by their own figures the Reds are spending half again as much as the U. S. defense budget.

And there's little doubt Reds' actual arms spending is far more than double that of U. S.

Official Russian figures show military budget of 80,000,000,000 rubles. But these figures fail to include billions spent for steel mills, oil refineries, truck and gun factories.

These are considered "industrial" even though practically none of their production flows into the nearly destitute civilian economy.

Students of Russia, who estimate these "industrial" expenditures, add them to admitted military budget, say Russia may be spending five times as much as the U. S. for arms.

## MANAGEMENT'S

# Washington LETTER

► NEW RUSH to get new cars brings new profits to auto dealers.

"Buyers aren't chiseling as they were," reports one typical dealer.

What he means is that with car buyers a little more anxious, dealers shave trade-in allowances to where they can make profit on the used car.

Off-brand dealers have benefited most by the rush of customers. They had cars to sell.

Dealers in popular makes just lengthened their waiting lists. But they too make better deals—for themselves—on trade-ins.

► LOOK AT HOUSING to see how demand peels off the top, how producers are pushed into lower priced goods.


Survey by National Association of Real Estate Boards shows construction of homes priced at \$8,000 and up had caught up with demand in 65 per cent of 470 cities covered.

And 10 per cent were found to have more such homes than could be sold readily. But in the price class of less than \$8,000 75 per cent of the surveyed cities need more. Only three per cent have too many.

Note: Only two years ago Association's survey showed that in half the nation's cities houses could not be produced to sell for less than \$8,000.

► BRIEFS: The horse put up a good fight but finally lost. Agriculture Department reports that this year—for first time in history—farmers have more autos than horses....Outbreak of World War II brought runs on sugar. Within three weeks housewives were offering it back to storekeepers. And in another month sugar prices hit lowest level in years. ...Cleveland Trust looked at figures behind Federal Reserve industrial index figure of 195 last month, found that if all 17 industrial classifications in it had been at their post World War II peaks index would have been 210....Only 30 per cent of June graduate engineers hired by Westinghouse went into engineering departments. Half of them went into sales, the rest into manufacturing divisions....Business men's definition of confidence: The feeling you have before you know better.





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our business was too small  
for that machine!"

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# TRENDS



## OF NATION'S BUSINESS

### The State of the Nation

It is always healthy, and often interesting, to see ourselves as others see us. A significant book, recently published in Paris, has the advantage of giving Americans this perspective, without either moralizing or lecturing.

This book has not yet been translated into English and as it is the first of a three-volume series, it may not be published here before completion of the entire project. But the title of the first volume—“*Réhabilitation du Libéralisme*”—is clear without benefit of a French dictionary. The author, Pierre Lhoste-Lachaume, is a well known economist who combines technical knowledge with a philosophical, even spiritual, disposition. The combination is valuable in any country, especially so when vitalized by the lucidity of expression that is characteristic of French writing at its best.

The liberalism that M. Lhoste-Lachaume wants to see “rehabilitated”—or restored—is of course the pure doctrine of fullfledged individual responsibility in all human relations, beginning with the family circle. In the U.S. a partially successful effort has been made to define advocacy of increased governmental power as “liberalism.” This is far from the original meaning of the word, as used by this French writer. He tells us—information that will be news to many—that the term “liberal,” as a political definition, “first arose in Spain in the second decade of the nineteenth century, to designate the advocates of constitu-



Felix Morley

tional government and religious liberty.”

In Spain, this doctrine implied resistance to the absolute government of the period. So, as the expression “liberal” spread through Europe, it came to signify all those who demanded that the state should not encroach on “liberty of thought, of speech and of the press, private ownership of the means of production and a free market” for the exchange of goods of every description.

Liberalism is thus seen to be the very opposite of socialism, which insists on governmental ownership and control, at least of essential industries. Nevertheless, liberals and moderate socialists always have been able to agree on one point, in determining the frontier between public and private enterprise. The decisions should be made by freely elected representatives of the people, acting through the machinery of parliamentary government. It is primarily on this mechanical procedure that socialism divides from communism, which logically maintains that private property can be abolished more easily by dictatorial than by legislative action.

The epic struggle of today, as M. Lhoste-Lachaume sees it, is between true liberalism and communism. The parliamentary socialists, among whom he includes many Americans who would resent the description, will in the long run be taken over by communism. When people get





ble and delay of getting bills through Congress.

The issue, in other words, is not between democratic and dictatorial *procedures*. It is between *philosophies*—that of individual responsibility and that of the welfare state. And the manufacturer who asks protection for his industry, or seeks an RFC loan, is regarded by this forthright critic as being as much an enemy of free enterprise as a supporter of the Brannan plan.

• • •

We are prone to regard ourselves as leaders of the free world—opposed to the slave system of Soviet Russia. It doesn't seem as simple as that to our French friend. He agrees that Russia today is the perfect symbol of "totalitarian collectivism" but finds that the United States "is far from applying liberal principles."

Yet, originally, the American republic really stood for liberalism and Americans believed passionately in individual liberty. M. Lhoste-Lachaume suggests that our country may still be the Home of the Brave, but is no longer properly definable as the Land of the Free. And the change is not solely due to the work of the P.A.C. for special privilege to labor, to that of farm organizations demanding price supports for agriculture, or to the belief of humanitarians that the state ought to provide jobs and security when private enterprise fails to do so. A large part of this French indictment of American socialism is reserved for our business and financial leadership, and its black record of selling free enterprise short, before, during and since the days of NRA.

Because so many Americans, including business men, no longer have real faith in free enterprise, and because they have come to put their trust in material rather than spiritual values, M. Lhoste-Lachaume is inclined to discount our long-range ability to cope with the dynamic power of communism. He sees us relying on atom bombs, tanks and advertising techniques for what is essentially a war of ideas. Effective leadership in the struggle against Soviet Russia, this Frenchman suggests, should now be sought in western Europe and perhaps especially in his own country. The United States is very important, as an arsenal of techniques. But we seem to possess neither the insight nor the idealism to provide a winning strategy in the struggle against communism. Our role in relation to western Europe,

the habit of living on subsidies, and expecting "social security" from government, they tacitly become the fellow-travelers of the communists, who seductively emphasize that all these advantages might be obtained without the trou-

it is almost implied, could become somewhat similar to that of Red China in respect to Soviet Russia—a vast reservoir of energetic, competent, but not particularly intelligent manpower.

Admittedly this is an exaggeration of the thought behind passing remarks let fall by M. Lhoste-Lachaume. His book is only incidentally an indictment of the U.S., and is primarily a strong plea for the revival of true liberalism in western Europe. However, there is all too little doubt as to the implications of what this thoughtful Frenchman says.

It isn't the first time that a keen French mind has needled us for our own good. In his great and friendly study of "Democracy in America," de Tocqueville, more than a century ago, asserted that in our country: "The majority lives in the perpetual utterance of self-applause, and there are certain truths that the Americans can learn only from strangers or from experience."

• • •

There are many signs of intellectual vitality in western Europe now. There are also many signs of intellectual decadence in the United States. A comparison of the type of books on sale in French and American railroad stations is not flattering to us. The same applies to the average movie, radio program or newspaper in the two countries. A thoughtful man once said that the songs a nation sings reflect the character of its people. The same conclusion can be drawn from the type of reading that is popular.

The present effort of France and western Germany to form an economic union; the increasing evidence that ideas as well as goods are being exchanged more freely across western European frontiers—are among the indications that a real renaissance is coming to flower amid the rubble and the ruin left by two tragic wars. And it should be thought-provoking for us to realize that many of the ideas—such as the importance of a free market; the desirability of free trade; the importance of the condition of freedom in its spiritual as well as its material aspects, are concepts in which Americans once led the world.

There are cheerful as well as dismal signs across the Atlantic today. The publication of a book like "*Réhabilitation du Libéralisme*" is not news, in the conventional sense of being a sensational, shocking or morbid event. But it may be that the recent arrival of a few copies in the port of New York is as important a matter as the landing of a shipload of American fighter planes in France.

In the eventual balance sheet, European aid to American thinking power could prove to be as significant as American aid to European fighting power. Weapons alone will not bring victory, even in Korea, unless the men who shoot appreciate the values for which they fight.

—FELIX MORLEY





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# The Month's Business Highlights

**T**HE Korean incident caught business at the top of a boom.

The effect of such an incident on business psychology is tremendous and complicated. When World War II broke out, we had unlimited capacity, good supplies of most materials and a low price structure. Korea finds the situation entirely different. Factories are busy, there are shortages in civilian goods.

Obviously, it is more difficult to increase speed—if such an increase should become necessary—when the economy is already in high gear, but the situation, even before Korea, has many unusual features. Let's look at some of them:

Consumption of goods, plus those going into inventory, exceeds the country's productive capacity. As a result, prices have risen over a broad front. The total output of goods and services promises to be at a higher rate than in the fourth quarter of 1948, when the annual rate was \$270,300,000,000. It is expected to reach \$275,000,000,000 in the last quarter of the year. The national income is above the war peak.

Average weekly earnings are up in every industry although the increase is small in lumber and apparel. Construction contracts awarded are up decidedly in every classification. Carloadings—notwithstanding heavy loss of business to trucks—are putting pressure on car supply. Everything but coal is being shipped in greater volume.

Grain, livestock, forest products, ore, less-than-carload merchandise all show increases as do chemicals which joined the parade after showing some weakness. Furniture, electrical goods, non-ferrous metals, paint, tires, automobiles all reflect the upward trend.

Even the expected decline in the output of capital goods has turned into an increase. Prices of rubber, tin, jute and other basic imports from the sterling area, which were expected to decline in dollars because of devaluation, have increased. In terms of sterling, those prices have doubled since devaluation.

A part of this is due to speculation prompted by lack of confidence in soft currencies. Money is converted into goods as promptly as possible. There is heavy demand for these commodities in the regular channels of trade.

Added to this is the buying by the United States and Russia for stockpiling.



Paul Wootton

The significance in all this is the general character of the rise. Ordinarily prices and indices do not go up together. Some have their crest at one time, others at another. Korea found us with perhaps fewer soft spots in our economy than ever before.

About the only bad spot in the picture is railroad revenues. As a whole, the lines are going in the red.

As a corollary, Korea found us with few unemployed to add to an expanding labor force. Present indices indicate that officials who were eager to take steps to prevent the development of large-scale unemployment wasted much energy.

Also production at present prices is making effective use of the existing money supply. Creation of additional money through easy loans cannot be matched by increased output because we are working to the limit of capacity. That is why prices are rising. That is why it is so important at this time to restrain credit expansion and government spending. The magnitude of the secondary inflation which the country is experiencing will depend in no small degree on whether officials have the political courage to do in that connection what they know should be done.

It could be that business is getting too many stimulants. Favorable developments have bunched in recent years.

Uncertainty as to the absorption of freight charges is expected to add materially to price inflation. It is thought that few large shippers will take chances on absorbing freight. This will result in decreased competition in most areas with corresponding increases in the prices consumers will have to pay. Construction costs are so high that the effect is to discourage the building of branch plants. In overriding his Secretary of Commerce and a majority in each house of Congress, the President has widened the chasm that is developing between the conservative and left wing members of the Democratic party.

The Schuman plan is the most hopeful contribution to reconstruction that has come out of Europe since the end of the war. The effort to integrate the basic steel







and coal industries in the interest of efficiency and lower costs has great possibilities. It is gratifying to have France and Germany at long last working hand-in-hand. The plan is a big step toward tying Germany effectively to the West. It will make possible production efficiencies that should bring down the price of steel. The British are in a position to nullify some of the benefits of the plan, but Washington does not expect the Government to follow the line indicated by the angry statement that came from the executive committee of the Labor party. A committee of a political party has no responsibilities. It is free to pass resolutions and make declarations, since it does not have to put them into effect. The Government, as distinct from the party, is in a position really to do something.

While Washington is strong for the Schuman plan, it is understandable that the British Government should hesitate to commit itself to pooling an important industry where the nation would be on a par with countries in which recovery has not proceeded as far as in the United Kingdom.

Britain has gone through years of acute austerity in an effort to balance its international accounts. Most other countries have done much less. To have its markets invaded by a cartel, even a well regulated one, naturally causes concern among those trying to restore Britain's economic position. Even the United States, which is in an infinitely stronger position, is not willing to take chances with free and unprotected competition. The expectation in Washington, however, is that the British ultimately will go along with the plan. They are expected to find a way to protect their interests and at the same time give support to a constructive proposal such as the Schuman plan. The idea advanced by the labor leaders that only countries with socialistic governments can work together is political bunk. A great majority of the British people realize that the prosperity of their neighbors is a prerequisite for their own prosperity.

Public education is big business, both from the standpoint of assets and of the number of persons employed. The value of public school property aggregates \$11,350,000,000. The number of teachers, supervisors, and others employed is 1,500,000.

Education and economic progress are closely related. Educational development is an essential preliminary to economic advance. The 1940 census showed 3.8 per cent of the population more

than 25 years of age had no formal education. One in seven had finished high school. Ten per cent had some college training. A better showing is expected when the 1950 figures become available. Higher family income has made it possible for children to go to school for longer periods. The GI program will raise the averages. Strangely enough the states with low per capita income make a relatively greater financial effort to promote education than do the richer areas. There are more than 200 per 1,000 population of public school age (five to 17 years).

Salaries of public school teachers in 1948 averaged \$2,440. Sixty per cent of school revenue comes from real estate taxes. This is prompting regional studies which will indicate the points where the educational system should be strengthened.

Greater hope for the triumph of free enterprise over socialism depends on increased productivity. Various procedures that would encourage productivity are suggested in a Committee for Economic Development report on real wages. It is conciliatory and progressive. Leading industrialists bring out a report that attacks neither the Government nor the unions. Its chief shortcoming is the paucity of detailed recommendations.

The value of residential construction contracts in the Cleveland Federal Reserve District in four months this year exceeded the annual total in 15 out of the 27 years for which records have been kept. . . . Liberal loans for rural housing on uneconomic farm units are not feasible. Farm buildings have value only as a part of the farm unit. Such farmhouse financing cannot be successfully separated from over-all farm financing. . . . One reason for trying to attain greater economic stability is to prevent wide fluctuations in expenditures for producers' goods. The task can be made easier by wise governmental policies, but the principal requirement will be continuing faith on the part of business leaders in long-run national growth. . . . New business incorporations, in keeping with the trend, are increasing after having declined since 1946. . . . State agencies administering the federal employment security system are having their troubles. They tend to be independent of federal and state governments, but they are harassed by both. . . . Consumer credit outstanding is nearly double the prewar peak. Two thirds of the total is instalment credit. One school views the situation with alarm. Another school says the ratio of debt to ability to pay has not reached the danger point. . . . Farm debts by the end of the year will be 15 per cent higher than in 1940. They are equivalent to ten per cent of the total value of farms, half as much as the 1920 debt burden.

—PAUL WOOTON



# Washington Scenes

**B**Y PULLING the trigger in Korea, Joe Stalin may have had a profound influence on American politics. Nobody knows for sure yet just how the Far East explosion will affect the 1950 battle for Congress. It seems a safe bet, however, that some of the earlier thinking about "issues" will have to be reviewed and possibly revised.

What, for example, are the Republicans going to do about Sen. Joseph R. McCarthy and his charge that the State Department is infested with communists?

Some G.O.P. strategists were saying, in advance of the hot war in Korea, that this communists-in-government issue looked like a prime vote-getter for 1950. A few, indeed, went so far as to say that it would be virtually the only issue, and this regardless of whether McCarthy was able to back up his charges with concrete evidence. Today this seems a dubious assumption to say the least.

Another "issue" that may lose force because of Korea is administration spending, the general question of deficit financing and a colossal national debt. This has had high priority in the thinking of the American people. However, there is one thing that has always been put ahead of it, and that is our national security. If past events are any guide, the voters won't be too much concerned about economy while the United States is engaged in a showdown with Russia.

The revelation that we had so few ready-to-fight units available for Korea came as a shock to many. Henceforth, it seems safe to say, the voters will demand that our armed forces be strengthened, regardless of cost. After five years of concentration on the atomic bomb, we have learned again that there is no substitute for infantrymen, artillerymen, and others who must go out and meet the enemy on the field of battle.

One result of the storm that arose in late June was a near moratorium on politics. For a time at least, the 1950 election seemed relatively unimportant. Many of those on the sidelines, thrilled by the disappearance of party lines, wished things could continue that way.

Crisis or no crisis, however, the Constitution requires that the American voters go to the polls this year and choose 435 members of the House and one third of the Senate. Accordingly, the professionals are now hard at it in their efforts to make a good showing this November.



Edward T. Folliard

At the headquarters of the Democratic National Committee, in the Ring Building a short distance from the Mayflower in Washington, there is an air of restrained optimism. All things considered, it seems justified.

The Democrats are the party in power, they have plenty of money, and they have a strong and well-heeled ally in organized labor. They have in President Truman a bold leader with a gift for plain speech. Add to this the fact that the country is in the midst of a

boom, and there seems to be good reason for bullishness.

This does not mean that the party of Jefferson and Jackson is altogether free of worries. For one thing, it has no way of knowing how the voters will react to what has happened in Korea.



Mid-term elections are nearly always dangerous for the party in power. There have been four of these since Franklin D. Roosevelt and the New Dealers took over in 1932. In 1934, to the astonishment of nearly everybody, including FDR himself, the Democrats picked up seats and strengthened their hold on Congress. From that point on, however, it was a different story. In 1938 the Democrats lost a substantial number of seats to the Republicans in both the Senate and House. In 1942 they again lost seats. In 1946, of course, they lost Congress altogether, a setback that still is fresh in their minds.

The Democrats are concerned, too, about grumbling over the reciprocal trade agreements. These are an essential part of the Truman Administration's foreign policy, and Democratic candidates would like to go along with the White House. Here and there, however, they find themselves up against Republicans who are in full cry against the agreements, charging that they are throwing Americans out of work, especially in the pottery, glass and coal industries.

Another annoyance is the attitude of the voters toward social reforms. Generally speaking, they don't seem to be interested in reforms—certainly not if they cost money, which nearly always seems to be the







## OF NATION'S BUSINESS

spect of 1950 that is disturbing to the Democratic Party's high command.

Gov. James H. Duff of Pennsylvania is one such candidate. A robust, hard-hitting man of 67, who was a Bull Moose follower of Teddy Roosevelt in 1912 but who never sought public office until he was 59, Duff is a candidate this year for the United States Senate. He is after the seat now held by Sen. Francis J. Myers, the able and popular Democratic whip. If Duff wins and thus moves onto the national stage, he is expected to become a powerful voice in the councils of the G.O.P.

Governor Duff, incidentally, doesn't think the Taft-Hartley Act will be much of an issue in Pennsylvania this fall. There is some evidence to show that this may also be true in other states, a circumstance not at all pleasing to Democrats who have gone down the line for repeal.

• • •

Turning to the bright side of the Democratic picture, Mr. Truman and his lieutenants can see much to be cheerful about. Take party organization, for example. Although it was not generally known, the Democratic machinery almost fell apart in the Roosevelt days, a result of too much dependence on FDR's magic coat tails.

Today the party machinery not only is in good shape, but it has a very capable engineer in Democratic National Chairman William M. Boyle, who served his apprenticeship with the old Pendergast organization in Kansas City. He started out by ringing doorbells, and he still thinks this is the basis for political victories. His hero is the little precinct worker, whom he glorifies as "the foot soldier of democracy."

The Democrats, like the Republicans, had a good deal of their strategy worked out in advance of the Korean fighting. Some of this almost certainly will have to be revised.

Mr. Truman, in his outright political talks, has been stressing one thing above all else—prosperity. Over and over he has drawn this happy picture: more Americans at work than ever before, tremendous buying power and fat profits for business, and farm income exceeded only by that of the peak in 1948.

Some sincere people wonder about this. They feel that prosperity has nothing to do with party, that it is created by Republicans as well as Democrats, and that, anyway, it is too precious

case. One proposed reform, government health insurance or socialized medicine, is regarded by many Democratic candidates as a dangerous liability.

The high caliber of some of the Republican candidates is another aspect

a thing to be dragged into the political arena.

The Chief Executive is aware of this feeling. Apparently, he thinks it smacks of naïveté or worse. This was brought out at a White House news conference back in April, when he was talking about the country's matchless well-being and listing its blessings.

Of course, Mr. Truman noted, it couldn't possibly be that the President deserved any credit for all this. Then, his voice edged with sarcasm, he said that some newspapers would claim that prosperity would have come even if there was a moron in the White House.

But, he continued, he thought that the President could take credit for the situation; and that, he concluded, was just what he proposed to do.

Mr. Truman touched on the same theme later on, in a speech before the Better Business Bureaus, but this time he was more generous in passing around the credit. He said he thought that Government was at least entitled to "part" of the credit for good times, and then added:

"I also believe that business is entitled to credit, and so are labor and agriculture. I think the great lesson we have learned is that we can all work together for our mutual benefit—that each of us has a proper part to play in keeping our economy strong and healthy."

But Mr. Truman made it clear that nobody was to be allowed to forget the part played by Government.

• • •

National Chairman Boyle, taking his cue from the President, has had his economists working on an ambitious plan for this year's campaign. His aim is to acquaint every voter with the "gains" made under the Democratic Party. There is to be a state-by-state breakdown, and every Democratic candidate will be supplied with figures of local interest.

Thus, the candidate will be able to show what has happened in his particular state or district: how wages have gone up, how farm income has risen, and how bank deposits have been increased. He will also be able to show just how the Government has helped out in his area with housing, rural electrification, school lunches, and so on.

All this has been done before, but never on the scale that Chairman Boyle has in mind for 1950.

There is an old saying in politics—often alluded to by the distinguished commentator, Frank Kent—that "prosperity absorbs all criticism." The record shows that it has a good deal of merit. Very clearly, the Democrats are counting on it heavily as they prepare now for the battle ahead.

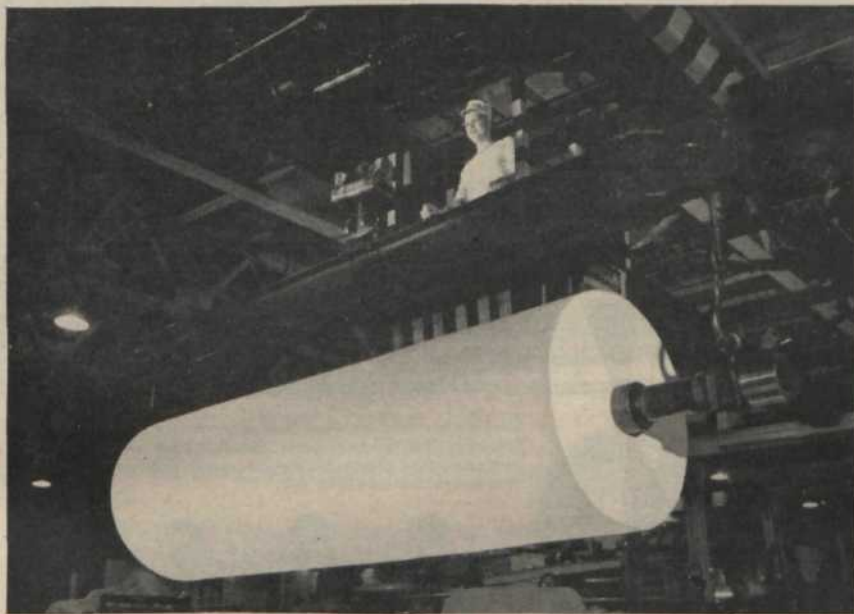
As in the past, however, it will be the voters, not the politicians, who will determine the issues. At this stage, only a very reckless person would try to guess what the mood of the voters will be in November.

—EDWARD T. FOLLIARD



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# THE BLIND SPOT IN EUROPE'S TAXES

By ANDRE VISSON

**ALTHOUGH European levies are higher than ours, they fall mostly on the poor and thus cut consumption when the reverse is needed**



**T**HE AMERICAN taxpayer is disturbed by reports about the tax situation in Europe. Certain countries, he hears, are the "tax-evaders' paradise" where dodging the tax collector seems to be either an historic tradition or a kind of national sport.

The American does not blame the Europeans for desiring to pay smaller taxes. He feels the same way.

But, with national defense, occupation of Germany and Japan, atomic energy and aid to Europe added to the cost of the undeclared Korean war—he can hardly be blamed for wanting the people he is helping to carry their share of the load.

He wonders whether the European taxpayer is doing this.

A study of tax rates will not help him find the answer. European tax rates are actually generally much higher than those in the United States. But, the taxes are inequitably distributed and, in many countries, ineffectively collected. Moreover, they are not only undemocratic—since most of the burden falls on the poor—but uneconomic because they are of a sort which cuts down consumption at a time when Europe's salvation depends on increased consumption.

Europeans don't pay taxes the American way.

Uncle Sam derives 76 per cent of his fiscal revenue from the income tax. European governments get most of theirs from the so-called hidden taxes—customs, excise and sales—whose total burden is in the end shouldered by the consumer.

Of all European tax systems, Britain's is closest to ours with 48.9 per cent of the fiscal revenue coming from the income tax. English-speaking peoples have a traditional aversion to hidden taxes. As far back as the eighteenth century, Dr. Samuel Johnson described the excise tax as "a hateful tax levied upon commodities and ad-

judged not by the common judges of property, but by wretches hired by those to whom excise is paid." And we all remember the part the tax on tea played in the American Revolution.

Continental Europeans, on the other hand, feel differently. They make it pretty hard for their governments to collect income taxes. But they accept without too much grumbling all the hidden taxes to which they are subjected. In only two continental countries—Sweden and The Netherlands—does the income tax exceed 40 per cent of the total fiscal revenue. In other countries estimates for 1950 place the income tax percentage at 37.8 in Denmark, 25.1 in France, 14.5 in Italy, and as low as 12.8 in Greece.

With such a small amount of revenue from income taxes, the governments of Europe are forced to turn to hidden taxes. They tax everything they can lay their hands on. Practically all business transactions are taxed—some of them heavily. To these hidden taxes are added "social charges," which in countries like Belgium and France amount to 25 or even 30 per cent of the wages. These taxes and social charges inevitably hike up the prices of manufactured goods and services. It is the consumer who foots the final bill. And, when the consumer is a wage earner or is living on a fixed income—annuity or pension—he has the misfortune of being the most heavily taxed citizen in his country.

Wage earners and persons living on fixed incomes are perhaps the only people in continental Europe unable to dodge the income tax. As in the United States, their taxes generally are withheld at the source. Loopholes are not available to them as they are to the rich. And neither can they dodge their taxes as can small shopkeepers, contractors, craftsmen, farmers, and those in the liberal professions, whose business affairs are transacted mainly in cash.

Let us remember the predominance of small



individual enterprises in the European economies. In countries like France, Italy and Belgium about 30 per cent of all business transactions is done in cash. No wonder, then, that European governments must depend so heavily on indirect taxes—customs, excise, luxury, sales; taxes on business turnover, to say nothing of monopolies or lotteries.

This is not the case in Britain. British income tax rates are much higher than ours. A married American with two children, assuming the standard deductions, would pay about three per cent on an income of \$3,000, seven per cent on \$5,000, 12 per cent on \$10,000, 27 per cent on \$25,000, and 36 per cent on \$50,000. For a Briton with the same family the respective tax rates would be 18, 28, 40, 62 and 76 per cent. An American making \$100,000 would have to give to Uncle Sam about 52 per cent. But the Briton making the same amount would have to give his Government about 88 per cent.

No wonder, then, that in Britain only 250 people have an income of more than \$20,000 a year. Fortunately for the British economy, capital gains are not taxed. So every British business man is doing his best to transform as much of his earnings as possible into capital gains. And, although death duties in Britain are high, there is a loophole there also. The British have no gift tax such as ours and, if given away seven years before death, property escapes taxation. Such loopholes to some extent cushion the damage caused by Britain's socialistic experiment.

American officials studying the European tax situation have no quarrel with the British. Britain's taxation has reached the staggering rate of 43.5 per cent of her national income. Nor do they have any quarrel with the Scandinavians or the Dutch. But they feel less happy about the tax situation in other countries, especially France, Italy and Greece, which were caught in the spiral of inflation.

Inflation, following on the heels of occupation,

contributed greatly to the difficulty of governments to collect income taxes. During the occupation, tax-dodging took on the character of patriotic resistance. Inflation added to the acuteness of the disrupted fiscal system. It hit hardest those on wages, salaries or other fixed incomes. On the other hand, by the time the government collected the income tax, it was receiving a currency depreciated by at least 50 per cent. Under these circumstances, the governments in the inflation-ridden countries tried to get as much as possible from indirect, hidden taxes which could be more readily collected.

The French, as a nation, are making a considerable over-all fiscal effort. In 1946 they paid in taxes and social charges about 20 per cent of their national income. In 1950 their over-all taxes and social charges will amount to 30 per cent. This is less than in Britain, but more than in the United States. But the main trouble with the French taxes is that because many Frenchmen escape paying them, others have to pay more than their proper share.

French tax rates are high. A married Frenchman with two children has to pay 18 per cent on an income of \$1,500; 26 on \$5,000, and 33 on \$10,000. The indirect taxes, which constitute more than 60 per cent of the French fiscal revenue, are even higher. The so-called production tax paid by the manufacturer was raised from ten to 12.5 per cent in 1949 and to 13.5 in 1950. The payroll tax on wages and salaries, which since September, 1948, is being paid by employers, is five per cent. Real estate transactions are taxed as high as 16 per cent.

Many Frenchmen feel that, if they had to pay all the direct and indirect taxes levied on them, they would have to close their business. So they take what means they can to defend themselves against the tax collector. Since the end of the war the French Government and the taxpayer have been caught in a vicious circle. Inadequate tax collection brought an increase in tax rates and the boost in rates led to greater evasion.

Most of the transactions which escaped taxation were black market deals, but the amount lost has been estimated at from \$850,000,000 to \$1,150,000,000 or about 20 per cent of the annual receipts. Tax evasion is greatest in the income tax domain.

Even before the war, the French treasury recognized the difficulty of checking all taxpayers' sources of income. Whenever there was doubt of a taxpayer's honesty, it could apply to him tax rates worked out on "*les signes apparents de la richesse*" (apparent signs of wealth) basis. The rent multiplied by five gave the basic income. A country place pushed the taxpayer into a higher bracket. The number of servants—and their sex—the number of cars—and their horsepower—were additional determining factors. The final assessment generally was arrived at through bargaining.

This system is still in use. But the new investigators of the French treasury display much ingenuity in tracing tax-dodging. Since many Frenchmen resent outside discussion of tax-dodging in France, let us use a French source. *Combat*, an independent and patriotic newspaper, says:

"The files which the tax administration is building up on every Frenchman are rich in information. They start with the principle that every set of books is false (and practically everyone is). Also, the Ministry of Finance can have recourse to 'intelligence' (studying the bank account of a business man's mistress), to patient inquiry (questioning of clients or suppliers), or simply to astute judgment."

(Continued on page 74)



The average continental European makes it pretty hard for his government to collect his income tax



## SEED BEDS OF SOCIALISM: No. 1

# The Federal Security Agency

By JUNIUS B. WOOD

**L**IKE AN unknown visitor in the life and home of every American, our Federal Security Agency is well on its way toward changing the individual thinking as well as the social, economic and political structure of the nation.

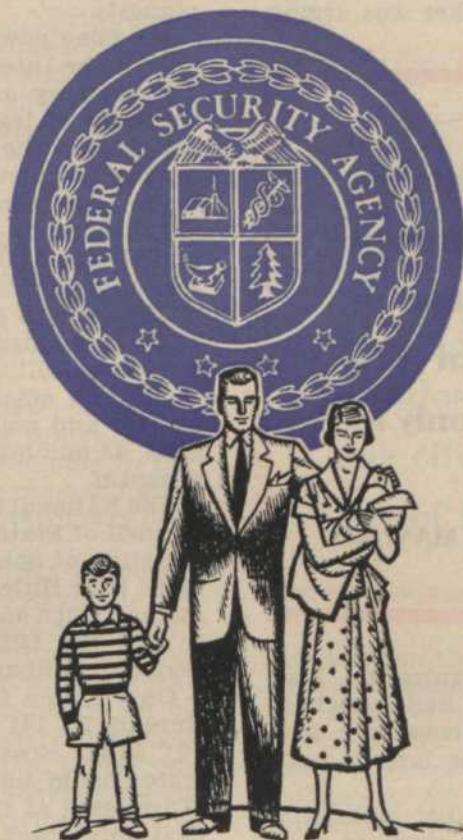
It is in the key position, with both resources and ambitions. Its activities are many and varied. Through pressure and subsidies, it can influence schools in their choice of teachers and courses of study for the next generation. It advises parents on the rights and privileges of children in what the agency pictures as a modern society. Its health program reaches millions. An annual distribution of more than \$1,000,000,000 to states for public assistance makes both states and individuals mindful of its wishes.

It reaches every citizen, either in benefits or in taxes. Among older departments, State is concerned with foreign affairs, Commerce with trade, Labor with workers and employers, National Defense with military security and Agriculture with one class of producers. Only Federal Security is all-embracing in its relation to the human beings who make the nation.

Other nations are solicitous for the welfare of their people from the cradle to the grave, but this agency goes farther. It gives prenatal advice for babies, guides them later through childhood, cares for workers and aged and succors the relicts of the departed.

Some of its key employees and ardent supporters have declared frankly the final goal of this pretentious agency is to abolish the present democratic form of government and to create a socialist state where officials will be dominant over the individual and his activities—in the home, in trade or in other enterprise. Today's citizens are promised security—the attractive name so often used—while the youth are indoctrinated for the future.

"The best things in life are free" is an alluring theme song for social security. But for each uncertain security provided by the state, the people



pay in the loss of another freedom. The cash which each receives is small but the final cost to the Government is staggering and that, in turn, is paid by all the people. State socialism takes their earnings and does the spending for them.

FSA has a budget, this year, of \$1,591,000,000—larger than any department except National Defense—and 35,363 full-time and 4,127 part-time employees. It has 12 regional offices and many National Institutes of Health and Health Workshops in cities and towns.

It administers Social Security which includes Public Assistance, Old-age and Survivors Insurance, the Children's Bureau, and Federal Credit Unions; Employees' Compensation; Public Health Service including quarantine and 20 odd hospitals; a printing house for the blind in Louisville; Food and Drug Administration; Vocational Rehabilitation, and the Office of Education. In Washington, it operates two big pub-

**THE American people of all groups support the principle of the social security program which has been in operation for more than a decade but they object bitterly when that program is used in a way that threatens to remake America into a socialized state**



lic hospitals—St. Elizabeths and Freedmen's—Howard University for Negroes, Gallaudet College and Kendall School for the Deaf.

Oscar R. Ewing's advent as administrator of FSA in 1947 streamlined its operations. Ewing, a New York corporation lawyer and a vice chairman of the Democratic National Committee who campaigned for President Truman, is not accused or suspected of communist leanings. His supporters pick him as New York gubernatorial timber this year, or vice presidential in 1952, and his facsimile signature on some of the agency's reports and policy orders may be explained by their vote-getting possibilities or his lack of time to read them.

Ewing's efforts to bring order to the FSA included a censorship over statements by subordinates. An early clash with John W. Studebaker, Commissioner of Education from 1934 to 1948, exposed certain sympathies in the agency. Studebaker was urging

in the Agriculture Department under Henry Wallace, now with the Food and Agricultural Organization; Carey McWilliams, often quoted by the Moscow radio and the *Daily Worker*.

The final break came when Studebaker spoke on "Zeal for American Democracy" at a convention of school superintendents in Massachusetts and Earl Hutchinson, also in his office, spoke on the same subject to the school principals. Hutchinson submitted his speech for FSA censorship. The censor ruled: "The Office of Education should leave to the State Department and the FBI the task of exposing the tactics and dangers of Russian and native communists and travelers."

Later incidents convinced Studebaker that FSA just did not want criticisms of communism. He resigned. The "Zeal for American Democracy" program died painlessly, omitted from later budget requests.

Kingsley now is in Switzerland as director general of the International Refugee Organization.

Squelching unkind words about communism in the halls of learning has been only one of FSA's activities in the field of education. Its sights are set on the complete control of educating the young from kindergarten onward. The fight for federal aid, backed by President Truman, has been long and bitter—\$2,000,000,000 is suggested but FSA will settle for \$300,000,000. In the meantime, the Office of Education's present \$24,000,000 budget is ample to plan the strategy. When the big money comes, the states will be subsidized and their school curricula and officials must satisfy FSA. Regulation, control and political obedience are the prices for gifts, as our farmers have learned from the farm program.

The National Education Association, the National Council of State School Officers, the American Association of School Administrators and others declare that Hitler, Mussolini and Stalin built their dictatorships on political control of education. Bills to put the Office of Education under an independent nonpartisan board are before Congress.

Only a step from education is FSA's Children's Bureau. Its 141 page book, "Your Child from 6 to 12," skirts close to the Marxist doctrine that the state should supplant parents in raising children. "Distressed at the lack of the written word about that important school-age period in their children's lives, parents in ever-increasing numbers are seeking help in the guidance of their school-age children," is the foreword over a facsimile signature of Oscar Ewing.

"How pleasant it would be if we had definite rules as to how to develop to the full our children's in-born abilities," Miss Katharine F. Lenroot, chief of the Children's Bureau, adds.

A few random quotes show the book's sprightly flavor:

"Parents have the privilege of providing a family life that will prepare their children for living in a world where their fate hangs on their being real world citizens," puts over the one-world idea.

"Religious interest is prominent in many children but religious ideas are usually still accepted uncritically," it continues.

"Most parents can hear echoes out of our childhood urging us to 'be good.' We even make those echoes ring over again, without thinking, when we say to our children, 'Be a good boy' or 'Have you been a good girl?'"

"Many people set their hearts on owning a home, though home owning has ceased to be the sign of

**"Social security and public assistance are a basic essential for attainment of the socialized state envisioned in democratic ideology, a way of life which so far has been realized only in slight measure."**

**FROM "COMMON HUMAN NEEDS," SSA MANUAL**

teachers and pupils to join an organization, Zeal for American Democracy, which he had launched. Its purpose was education for democracy and against communism by showing the latter's purposes and workings.

The storm broke when Studebaker put in a requisition for 50,000 congressional reprints of a speech he delivered at the University of California. They were to be distributed to schools and colleges. An objection was raised because of the expense. When Studebaker laughed off \$250 as a trifle in a \$1,000,000,000 budget, it was suggested that the criticisms of communism be toned down though the speech had been delivered and had received nationwide publicity weeks earlier.

"Whether the communist party should be outlawed, I do not presume to say, but education in American democracy obviously cannot be entrusted to the enemies of American democracy, to avowed or proven communists," was among the challenged statements.

At the time of this incident, J. Donald Kingsley, as first assistant administrator, directed FSA policies and was Studebaker's immediate superior. Kingsley had been a professor at Antioch College in Ohio, author of a book, "Strategy for Democracy," and founder of the college's *Antioch Review*. Among his editorial contributors were:

Pierre Cot, former French Minister of Aviation; Max Werner, a military expert favorable to Moscow; Mordecai Ezekiel, former economic adviser



stable family life that it once was," jars the Government's billion-dollar, home-owning programs.

"A wider application of a minimum yearly wage would make it easier for many families to give their children good practice in using money."

The Bureau in another book, "Guiding the Adolescent," advises: "The fact that young people feel free to carry on petting in public is an indication of the less cramped and inhibited feelings about the whole subject of sex that are the results of widespread efforts towards revamping attitudes towards this part of life. . . .

"Our society's strong disapproval of sex experience before marriage provokes some of the deep conflicts and feelings of guilt that work against good sexual adjustments throughout life."

Promising quicker results than indoctrinating youth for a distant future is the field of health. Control of a nation's health has been the first step on the road to many socialized states. Their people accepted gradual extension of government control to more and more national resources and activities by officials solicitous of their health and happiness.

Ewing found an able crew holding open this alluring gateway to power when he came into office. Strangely, they were not in the Public Health Service but in the politically minded Social Security Administration, another branch of FSA. Isadore S. Falk was already director of SSA's Bureau of Research and Statistics. He had been trained by Michael M. Davis, whose campaigning for state medical care has been financed generously by private organizations for 35 years.

Though these organizations, with few exceptions, were interested only in improving the nation's health and making medical care available to the needy, others were awake to the great possibilities of political power and the use of government personnel and public funds.

The national health program has disclosed strange comrades. At one extreme, supporting the Government's program, are the nationally known foundations contributing without political motives and, at the other extreme, the International Workers' Order, identified as communist-controlled by the Attorney General, congressional committees and by state committees in California, Massachusetts, Pennsylvania and New York. Advertisements in the *Daily Worker* requested contributions and urged pressure on congressmen. IWO's declaration of its purposes says:

"The International Workers' Order realizes that the only party that leads the working class in its struggle against capitalism is the communist party. It is bound to become even stronger until the moment will come when the workers under its leadership will overthrow the capitalist system and establish soviets."

A few months after Ewing took office, the National Health Assembly was incorporated and a convention called. Sixteen national organizations were present to map a ten-year health program for the nation. Not present were the nonpolitical foundations, though Ewing, when charged with using public funds for the meeting, declared they had financed it. Nor was IWO there officially.

Invitations were accepted, however, by Julius Emspak, known as "Juniper" in communist circles, and Bernard J. Stern, also called "Bennett Stevens." Emspak, former general secretary of the United Electrical, Radio and Machine Workers, was expelled by the CIO in its 1949 purge of communists. Stern, writer for the *New Masses*, and with frequent men-

tions by official committees for subversive connections, is on record with an appeal to the American Revolutionary Writers saying:

"The capitalist system crumbles so rapidly before our eyes that, whereas ten years ago scarcely more than a handful of writers were sufficiently farsighted and courageous to take a stand for the proletarian revolution, today hundreds of poets, dramatists, critics, short story writers, novelists and journalists recognize the necessity of personally helping to accelerate the destruction of capitalism and the establishment of a workers' government."

Director Falk, and naturally Ewing, promptly disowned Emspak and Stern and put the blame for inviting them on a member of Falk's staff.

FSA lightly flips off charges that it is influenced by communist doctrine in building a socialized state. A congressional committee questioned Mrs. Ellen S. Woodward, FSA's director of international

**WITH a budget larger than that of any department except National Defense, and an annual distribution of \$1,000,000,000 to states, FSA is in position to punish any state — almost any citizen — that dares to challenge any of its policies or directives**

relations, on the communist phraseology and doctrines expounded by some of her subordinates. She spoke of the benefits of social security and tastefully dismissed any communist flavoring as "only a fly speck on a great big well-baked pie."

Doxey A. Wilkerson, former professor of Howard University, was a more striking example of FSA's toleration of divided loyalties. The FBI investigated reports of his many activities in organizations branded as subversive. FSA gave him a clean bill of health. Later, following brief service in another government office, he resigned and the next day was communist party organizer in Maryland. Before long, he was on the party's executive committee, a post for which four years' prior party service is required.

In spite of the discordant notes provided by communist interlopers, a 186 page book—"The Nation's Health, a Ten-Year Program"—followed the National Health Assembly convention. It was printed at the Government Printing Office and the cost of preparation and distribution of many thousand free copies has been estimated at \$1,500,000. Its charts and figures, often differing from those of the impartial Census Bureau, picture the nation's health in deplorable condition.

The books circulated over the country to physicians, teachers, libraries and homes and Social Security Administration's campaign to put medical care under government control had started to roll.

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Aside from the boundary dividing it, the area is one vast geographical and economic unit



# Our Forgotten Frontier In the Northwest

By SYDNEY MORRELL

**N**OT LONG ago, a group of New York business men was asked by a visitor from Oregon to guess the part of the world he was describing. "What I have in mind," he said, "is a territory of more than 2,000,000 square miles—nearly as big as the United States and larger than all of Europe—excluding Russia. It's inhabited by fewer than 7,000,000 people and more than two thirds of these live in only a tiny section. That section has been settled for about a century but outside of it there are almost no roads and railroads."

Nobody spoke up, so he went on. "Some parts of it are very cold in winter, but other parts, even in the north, are nearly as warm as California. There are towns and settlements so isolated that you can reach them only by air. Most of the land never has been surveyed, so nobody really knows how wealthy it is. There's mineral wealth of all kinds—gold..."

"I have it!" one man exclaimed triumphantly. "You mean Siberia!"

"In a sort of way, you're right," said the visitor. "But it's a North American Siberia I'm talking about."

The Oregonian was dramatizing a situation that has baffled many northwesterners for years, but nevertheless it's a strange fact that there does exist on this continent not only one of the few great unexplored and undeveloped areas of the world but one that is coming to be known as a tremendous potential source of wealth. A new frontier, in one of the most spectacular parts of the world, still awaits settlers to conquer and develop it. There is Mt. McKinley, the highest mountain in North America; there is big game and scenery



**NEARLY as large as the United States, and rich in mineral wealth, a region goes virtually abandoned as it awaits recognition**

of every description—mountains, fjords, glaciers, hot springs, tundra, lakes and rivers with fish that have never seen a rod.

It isn't all within the United States, of course. Most of it, in fact, lies within Canada. But apart from the border dividing it, it is actually one vast geographical and economic unit.

It would take in the states of Washington, Oregon, Idaho, Montana and North Dakota, the Canadian provinces of British Columbia and Alberta, the Yukon Territory, part of the Northwest Territory, and all of Alaska. Its total area, 2,088,000 square miles, is four fifths the rest of the United States. In fact, if the territory were laid on its side and superimposed on a map of the United States, it would lap out into the Atlantic Ocean on one side and the Pacific Ocean on the other, and would stretch down

from the Canadian border to the Gulf of California.

Legends about the weather, difficulties of communication, and division of control between federal and local governments have kept nearly everyone from looking at this country in its real light—as one huge unit capable of supporting great cities and as wide a variety of industries as there is in the United States.

For example, the Canadian Government has been studying one particular section—the Yukon and Northwest Territories—and after a four-year survey has estimated that with normal development, its population could be increased from its present level of 110,000 people to somewhere between 500,000 and 3,500,000 within a generation. (This section, incidentally, is the wildest and is at present traveled overland only on foot or by dog sled.)

Another sector, the Pacific coastal region, could attain Norway's density of population, according to Charles Camsell, Canada's leading expert on the region. If Washington and Oregon were included in this section, this would mean that upwards of 12,000,000 people ultimately could be living and working in a strip of land stretching from California to Anchorage. At present there are about 3,000,000, most of them in the United States. Camsell, born in the Northwest Territories and a graduate of Massachusetts Institute of Technology, has preached for years that both Americans and Canadians should turn their eyes northward for development and expansion.

The truth is that governments can form no idea of how many people should or would move into an undeveloped area. The best that



can be done is to attempt to survey natural resources, arable land, possibilities of transport development and so on and, on the basis of findings, estimate how many people *might* eventually inhabit the area. The riddle of our Northwest is which should come first, farmers, industry, or roads and railroads?

**A**T PRESENT, the bare cost of living in most places north of the "end of steel" is enough to keep out everybody except miners and prospectors, even though these make money that would be regarded as small fortunes in the south.

For example, every few days a freight plane puts down at Fort Norman, in Canada's northland. The miners and trappers of the district queue up at the local supply post to buy its crated cargo. The crates contain neither six-shooters, rum nor ammunition but—lettuce. Most of the northern miners earn good money for any normal part of the world, but what is the point of making so much money, they ask, when even the ordinary staples of diet have to be flown in and cost three to four times as much as in the south?

Robert Service, the poet of the Klondike gold rush days, called the north the land "where the mountains are nameless and the rivers run God knows where." Nowadays, all of the mountains have been named (one was called Mount Eisenhower not so long ago) and we not only know where the rivers run but also have learned enough about their flow to estimate the waterpower possibilities to be at least as great as the rest of the United States and Canada combined.

There is enough farmland for a new empire. If Alberta's 100,000,000 arable acres had one farm family of five people for every 160 acres, the province would have more than 600,000 farm houses with a population of 3,000,000, instead of the present number of 900,000. The pessimists counter this with the argument that Alberta farming depends on wheat, for which large-scale farming is required. You can't have mixed farming, they add, because where is the local population to act as consumers? "Where indeed?" the Northwest echoes. "Give us the food at prices prevailing in the south and you'll see how many people will move in."

British Columbia has an arable acreage of 25,000,000 and is larger than France, Italy and Portugal combined. The total population of these three countries is 75,000,000;

British Columbia's is 1,000,000.

How could these millions build their homes? There is so much timber in the North that nobody can estimate it. British Columbia alone, for example, has an annual growth of about 1,250,000,000 board feet of timber, but only about one fifth of this is at present accessible. It also has one of the world's largest remaining stands of pulp wood, estimated at 300,000,000 cords and, with its mild damp climate, can produce as much timber in 60 years as the rest of Canada in a century.

Every year, dry lightning fires destroy hundreds of thousands of acres of northern forests, raging undisturbed for months because nobody has spotted them. A few years ago a Canadian Government forestry expert flew over the southern section of the Alaska Highway and noticed an immense valley burning from end to end. The fire had been started 12 months earlier during road work—but the region was so vast and uninhabited that it could only be seen from the air.

**B**UT, say some outsiders, even if settlers would do so, the climate is too cold for orthodox farming.

There couldn't be a faultier misreading of the compass. Queen Charlotte Islands, off the northern coast of British Columbia, are several hundred miles north of San Francisco. Yet, due to the effect of the Japan Current, the islands' climate is only ten to 15 degrees colder than San Francisco's in winter, and about two degrees cooler in summer.

The islands have 825,000 acres of proven fertile ground. Nowhere else in the world is more similar to Holland in rainfall, temperature, topography and original soil types. Like Holland, they have a fishing industry but one of immense variety and potentiality, ranging from oysters and clams to halibut and salmon. They have more timber than any European country has ever seen. They have coal and mineral wealth, including oil, and some of its petroleum areas are being drilled. No part of the agricultural area is more than a few miles from deep water anchorage, and, unlike Holland, there is no need to fight a ceaseless battle with the encroaching sea. Queen Charlotte Islands have only a few scattered farm houses on their arable land. They ought to be supporting about 280,000 people. Why not? Again the answer is—no communications and no local markets.

Nor are agricultural possibilities confined to the Pacific Coast. Ara-

ble land has been proven far inland, beyond the Rocky Mountain range. Soil and grazing specialists have ranged across the territory for the past five years and have demonstrated that wheat can be grown at latitudes previously thought uninhabitable in the Northwest.

With modern methods of farming, there is no reason why many of these areas could not be made food-producing—always assuming there is enough local population to justify farming. It's only a century ago that most people seriously questioned the possibilities of farming on the bleak Canadian prairies. Today, the prairie country is recognized as "the bread basket of the British Empire" and one of the greatest food-producing areas in the world.

**T**HE difference between those days and the present, of course, is that no farmer except the share-cropper is willing to go into a country where there are no roads and railroads over which he can ship his produce to the centers of population. Both government officials and those already locally established in industry and commerce agree that what's needed in the Northwest is a balanced development whereby industry can be induced to move northwards, taking advantage of minerals and sources of power that are known to be available. Already, at its present state of development, the United States, with only seven per cent of the world's land surface, demands for its industries nearly 50 per cent of the world's current output of minerals. The possibilities for expansion in the Northwest are therefore almost limitless.

Only about 13 years ago, the Canadian Pacific Railroad started a smelting and refining plant at Trail, just over the U. S. border in British Columbia. The plant today is the largest in the British Commonwealth. It has turned from the smelting of gold to the smelting and refining of base metals, produces 90 per cent of Canada's lead and 65 per cent of her zinc, and its current earnings are estimated to be responsible for about 70 cents of every dollar in Canadian Pacific's dividends.

Yet, the plant draws for its raw resources on only a small part of the Northwest. Even greater mineral deposits are known to exist further in the wilds, but they are classified as "inaccessible." One of the difficulties in talking about mining possibilities is that the area

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# Paying Guests on a Freighter

By KATHARINE and  
HENRY F. PRINGLE

**FOR the man with a schedule to meet  
a liner is the thing. But for unhurried  
travel, a cargo ship can be fun**

The Liner she's a lady, an' she  
never looks nor 'eeds—  
The Man-o'-War's 'er 'usband, an'  
'e gives 'er all she needs;  
But, oh, the little cargo-boats, that  
sail the wet seas roun',  
They're just the same as you an'  
me, a-plyin' up and down!<sup>1</sup>

**S**O WROTE Rudyard Kipling a little more than 50 years ago. And it was true, for a good many decades after he composed his verses, that the freighter was no lady. She was, and we mean nothing unkind, the tramp of the seven seas. Her sides were streaked with rust. Her decks and superstructure were gritty from the coal she burned. She made a living as best she could and she was asked few questions. Passengers sailed on the freighter, if at all, to their probable discomfort and possibly at their peril.

"The Liner she's a lady by the paint upon 'er face," Kipling continued in the poem which innumerable small grubby boys have recited with gestures. Today the freighter is a lady, too. She wears her share of nautical cosmetics. She is streamlined and slimhipped. She can step down the ocean boulevards at a speed in excess of 16 miles an hour. And if she is part of the modernized Ameri-

<sup>1</sup>"The Seven Seas," by Rudyard Kipling. By permission Doubleday, Doran & Co.

It doesn't take passengers aboard a modern freighter long to discover the delights of the vessel's galley

NATION'S BUSINESS for August, 1950



can merchant marine, she carries passengers to virtually every port in the world. The paying guests are quartered in commodious, well-furnished staterooms. The food is excellent.

We know. Recently we made a trip on the S.S. *Kathryn* of the Bull-Insular Line to San Juan, Puerto Rico. We don't want to boast, but—girl and woman, boy and man—we've been on a number of ships. The modern liner has many advantages such as speed and regular sailings which meet the needs of the traveler with a schedule to meet. The presence of a doctor aboard lends a sense of security. Ship-to-shore communications make it possible for the traveling executive to transact business en route. And the wide variety of activities available appeal to the gregarious. But because we were unhurried and because we found more than we had hoped for in the way of comforts, we have enjoyed few trips as much as the one we made on the 10,000 ton *Kathryn* with her cargo of 200 automobiles, 30,000 cases of Scotch whiskey, 30,000 cases of beer, unending bags of onions and Heaven knows what else.

**T**HE freighter, even the modern C-2 and C-3 types designed for the United States Maritime Commission, never will take the place of the vessels intended primarily for passengers. Space on American ships is greatly in demand and, due to war depletions, very short. American passenger liners could carry 38,000 people before World War II; only 12,000 now. Today some 300 freighters are in private operation, on the Atlantic and the Pacific and plying every trade route. But they have total accommodations for hardly 2,000 passengers, being limited to between four and 12 landlubbers each. The ship with room for more than 12 is no longer a freighter. She is a passenger-cargo vessel and is required to take along a doctor as well as to meet other safety standards.

The passenger on a freighter, if he is lucky enough to get aboard by making his reservation some weeks in advance, will find certain refinements of life lacking. First, to his possible horror, will be the absence of a bar. If he is worried about seasickness, he can bring his own liquor and he will find the steward's department cooperative in supplying setups and ice. But he can't amble up to a chromium job and order a drink because it doesn't exist. On the other hand, on most freighters he can order

beer sent to him in his stateroom.

Generally speaking, the officers and crew give adequate warning against a drought on the high seas. Yet crises do occur. One of these is a legend in the maritime service. On a ship and voyage which must remain nameless, the captain was mildly surprised at 11 a.m. one day to see a middle-aged lady passenger reclining in her deck chair and sipping an amber fluid which didn't look like iced tea. When he inquired, as much to make conversation as anything else, about the nature of the beverage, she replied somewhat tartly that it was indeed not tea. It was, she said, Scotch-and-soda: her breakfast, she amplified.

Each morning the lady consumed the same alcoholic breakfast. All would have been well had not the ship been delayed in leaving port in the first place. On the morning before its arrival at destination, one of the two stewards aboard knocked on the captain's door. Did the Old Man have any Scotch that could be bought or borrowed? The skipper said he had one bottle in his locker. Why?

"Mrs. X has run out of breakfast," said the agitated steward.

Freighters are freighters, even the big new C-2's and C-3's, and, if just one more line from Kipling may be allowed us, "they've got to load or die." Gala sailings, with a flock of inebriated friends roaring around, would have little point because the hour of departure depends strictly on when the stevedores finish stowing the cargo. Paying guests must sign a legal document which absolves the line from liability for accidents. This release may seem forbidding to timid souls. It warns that the cargo may include explosives or corrosive acids.

**A**FEW other disadvantages must be cited, in the interest of accuracy. The line is not responsible if a passenger gets in the way of a boom lowering a truck into the No. 3 hold. Accordingly, passengers are sometimes required to go ashore in Marseilles or Casablanca, let's say, if the ship has to stay in port for several days. Most of the lines frown on carrying children under five, partly because there is no doctor and also because they might fall overboard. Teen-age girls without chaperones are viewed with distinct alarm, but that is because of the possible danger to the crew rather than to the maidens.

When we boarded the *Kathryn* at a pier near the Brooklyn Bridge

in New York, we signed the liability release with some misgivings. The solid mass of the freighter was reassuring, though. Even more comforting was our stateroom. It was astonishingly spacious, with three large plate glass windows—not mere portholes—looking out on the forward deck. Twin beds (no berths on the modern freighter!), a bedside table, a chest of drawers, a cocktail table and two leather armchairs made up the furnishings. The décor was green and gold with blonde wood trimmings. Off the cabin was our private bath with its glass-enclosed shower.

The *Kathryn's* master, Capt. E. C. Durham, greeted us soon after we had arrived on board. The ship carried no acids or explosives, he told us comfortingly. Then he took us on a brief tour of the various safety gadgets: the fire detection apparatus, the radar, the ship-to-shore telephone and "Metal Mike," the gyrocompass.

**W**E WERE scheduled to sail at 8 p.m. that Thursday and to arrive in San Juan early the following Monday morning. At 4 p.m. Thursday the Bull Line's glamour passenger ship, the *Puerto Rico*, slipped past our berth and out into the East River. Whistle salutes, the traditional amenities of the sea, were exchanged. We viewed the people on the *Puerto Rico's* promenade deck with a feeling of superiority. They were amateurs. We were professionals, at least by association. Captain Durham shared our feeling.

"I can do 16 knots," he confided to us. "The best the *Puerto Rico* can make is a little more than 15. I'll be in San Juan ahead of her. But I'll pass her at night—I always do it at night so as not to hurt her captain's feelings."

Our skipper grinned as he made this boast. But by the time the moorings were actually cast off he was a chastened man who, for the balance of the voyage, suppressed even so much as a prediction about dinner. Cargo problems put off the scheduled departure until 9 p.m. Then two tugs appeared and prepared to shove the *Kathryn* away from her pier. A line was dropped. The tugs huffed. But the ship didn't sail. Bells rang, whistles blew and orders were barked out. Finally the tugs puffed off indignantly into the night.

At the last minute a pump in the engine room had broken. The minor accident really had nothing to do with the *Kathryn's* being a

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# The Corner Store Goes Abroad

By JOSEPH WECHSBERG

**BLAME** it on salesmanship, or the GI's, but European shops are going American

IT'S LESS than 600 yards but more than 600 years' distance from the Alsatian castle in the Vosges Mountains where I've spent the last month to the gas station where I have my car serviced. The castle has thirteenth century fortifications, triple tiers of garrets, gothic gables (and neither gas nor central heating but a ghost and a dungeon where people were conveniently put away long before Columbus was born). The gas station has 1950 neon lights, standard and high-test gasoline (twice as expensive here as in the States), tires and batteries, and up-to-date equipment for servicing.

The attendant expertly checks the tire pressure (in kilos, not in pounds), changes the oil, fixes the battery. His wife raises geese and sells the livers to the *foie gras* manufacturers in nearby Strasbourg. If it were not for the geese, which have a way of hiding under the fenders and running in front of the wheels when you want to take off, the station could stand somewhere along Wilshire Boulevard in Hollywood, Calif., where stations often are built in the vicinity of castles—twentieth century castles, made by architectural crackpots or as part of a new real estate project.

When I came to the station for the first time, the Alsatian village kids expressed admiration in French, German and their local patois for my new American-made automobile but now they've become used to it and don't even stop chewing their American bubble gum. On a house wall near the gas station is a poster of an American sewing machine company, the small grocery store at the corner sells American face cream and tooth paste, and the owner of the

inn has just bought an American refrigerator which is now the No. 1 topic of conversation in the village.

In fact, there are many American features in this old village that has fortified bridges, stone-and-timber-frame houses and a very European history, having changed its nationality not less than five times in the past 100 years. It was French in the middle of the last century, became German after the war of 1871, was given back to the French in 1919, was occupied and annexed by the Germans in 1941, and again is French since the liberation.

"And it will remain French, unless the Coca-Cola people will make it American," the village storekeeper says, with a smile.

The storekeeper and the innkeeper sell Coca-Cola. They are the leaders of the pro-American forces, ably helped by the village kids. Their fathers and mothers are still against the strange concoction.

"They say we mustn't poison our kids," the innkeeper told me. "They don't realize that they've fallen for the communist propaganda. But the children will work on their mothers and I'll talk to their fathers and by the time the weather gets hot, everybody will like the new drink."

The innkeeper has just added to







Alsatian kids go for bubble gum with Americans' delight

his menu of Alsatian specialties (*Coq au Riesling* and *Choucroute* which is sauerkraut with ham, pork, sausages and young potatoes) a new item which he calls "Hambourg Steak Garnie." It's not quite what it ought to be because he puts spices, fried onions and bread into the chopped meat and serves it with a fried egg on top, but in time it will become much more American, the innkeeper assured me.

"I know American dishes," he said to me proudly. "I cooked for the American soldiers when they were here. But we must give our customers a little time to get used to those things."

The European customers seem to get used to "those" things very quickly. Moreover, they like them.

During the past few months I've been driving through most countries of western Europe. Yet sometimes I feel (if I may quote Bob Hope) that "I Never Left Home." All along the roads I saw workers and peasants wearing odd pieces of American Army equipment. One man had on a fur jacket with the faded insignia of the Army Air Force, another wore a pair of paratrooper boots, and an orange peddler near Riva, Italy, wore that ugly green, herringbone-striped fatigue dress that I'll forever associate with my early kitchen police days in Camp Ritchie, Md. I've often wondered where those pieces of equipment have come from. Regular surplus channels? Personal generosity of American soldiers? Theft? No one will ever know.

I remember the Luxembourg peasant who had on blue overalls with the name of a big American moving and storage firm stenciled on his back, and the garage at-

tendant in Belgium who wore an oil company's uniform he'd got from a cousin in Detroit. He wasn't bothered by the fact that his garage sold only a competitor's products.

"I'm introducing American salesmanship in this town," he said to me. "I believe you need a new battery, monsieur."

"My battery is perfect," I said. "It came with the new car and the car has only 2,600 miles."

"Why wait until it gets old?" he said. "You see, monsieur, I'm using American salesmanship."

And I remember the day when I stood next to the car in front of the Savoia-Majestic Hotel in Genoa, Italy. A tall, well-groomed girl came by and brightened up visibly at the sight of my New York license plate.

"Hello," she said. "Maybe you can tell me where I can get a box of facial tissue in this city?"

I turned around and pointed at the window display of the pharmacy next to the hotel—a magnificent pyramid of such tissue boxes, hundreds of them.

All along the *autostrade*, as the Italians call their parkways, advertising posters and billboards are

obscuring the lovely Italian landscape. It's a revolutionary change. In the prewar days, most Europeans were leery of advertising. The typically European reaction to a much-advertised product was not, "It's well known, it's got to be good," but, "It must be lousy—otherwise they wouldn't bother to spend money on advertising."

The war has changed this, too. Almost overnight American-style advertising agencies have sprung up in western Europe, plugging *apéritifs*, motor oils, razor blades, cosmetics. Europeans are beginning to get the feel for "nationally advertised products."

If you belong to those tourists who leave their homes only so they can look out for all those things which they could have had (cheaper and better) at home, you'll be perfectly happy in Europe. You can now order, in every major city, orange juice and cereal for breakfast and, naturally, ham and eggs. You can buy the Paris edition of the New York *Herald Tribune*, which is well edited and contains more news than any continental newspaper, or the air edition of the New York *Times*. You can turn on the radio in your car and listen to the American Forces network. You can buy American magazines at every newsstand. You can't turn around without seeing some American product.

Even Europe's conservative hotel owners have reluctantly come to the conclusion that a quaint lobby, enormous rooms with balconies and heavy eiderdowns are less important than "American-style" bathrooms that actually have warm water coming out of the warm water faucet.

The manager of a big French hotel who spent the war years in San Francisco said to me, "I've learned what Americans really want and I'm trying to tell it to my people here. Americans want bathrooms. They want ice water with their meals. It wasn't easy to convince our old waiters that ice water is not fatal to your health."

I also impressed upon them the importance of being friendly and talking to the guests. Our European guests often have a way of being standoffish, but Americans are friendly and want to see smiling faces with their steaks. Steaks, of course; nothing but steaks and chops. No more meat with heavy sauces."

One of the biggest hotels in Venice, Italy, has just



Broadway hits play to heavy crowds while running in Paris



finished its new annex. Instead of authentic charm, it offers a radio in every room, an unheard-of improvement (or deterioration, depending on how you feel about a radio in every room). There is at least one hotel or a bar in every city where you can get a very dry Martini. And what is one to say when restaurant menus in France, where eating always was an art and a tradition, have begun to feature the words QUICK LUNCH.

Aaron Copland, Roy Harris, Gian-Carlo Menotti; in Turin, Italy, Leonard Bernstein was conducting an American program; in Brussels, Duke Ellington was giving a concert; Isaac Stern, the American violinist, performed on a Swiss station; and from a station behind the Iron Curtain came the voice of Paul Robeson.

In a Dutch city I met a newspaper editor who had spent the war years in America.



Die-hard old farmers balked at our tractors—for a time

For better or worse, the American influence has come to Europe and it's going to stay there. It's a political, economic and cultural influence. At this writing, Arthur Miller's "Death of a Salesman" is the most discussed new play in Vienna and Zurich; Tennessee Williams' "A Tramway Nommé Désir" and "Annie du Far West" (better known around Broadway as "Annie Get Your Gun") play to capacity crowds in Paris; translations of American best-sellers are displayed in the windows of all bookstores; and there is always a shelf with American editions.

Time was when American doctors and medical students went to study in Europe because that gave them reputation and a chance of asking bigger fees. Now, it seems, the shoe is on the other foot. American medical journals are at a premium in Europe; American pharmaceutical supplies are widely known; and I have seen on doctors' shingles throughout Europe the words "For Two Years Assistant at Hospital" (with the name of a big American hospital).

There is a tremendous interest in American music, classical and jazz. On a recent evening, listening to various European radio stations, I heard works by W. Schuman,

"When I came back here in 1945, I started to Americanize our local paper," he said to me. "I began to send out reporters to gather the news. I taught them to be accurate. I gave my readers news instead of opinions. I'm trying to break away from the bad European habit of serving editorials and news features on the same page."

Traveling down the Rhine River along the French-German border, I stopped in a small French village and talked to the farmers. Their land is rich; they work the community's 665 hectares and, in addition, own land that belongs to neighboring villages. Five local farmers own more than 20 hectares each. That may not be much according to American standards but it's a lot of land in this crowded, much-fought-over corner of Europe where one hectare (2.47 acres) is now worth more than 1,000,000 francs (\$3,000).

The timber-framed houses looked prosperous. There were small French cars parked in many of the flower-bordered courtyards. Before the war, there had been 30 cars in this village of 900 people; now there were 50. There were also 13 American-made tractors.

"Ah, the tractors!" one of the younger farmers said. "They caused quite a revolution in the

village. They are Marshall plan tractors, you know. When the first two tractors appeared here, the older farmers said that those new-fangled mechanical devices would ruin our rich soil. They had farmed with cattle and plough as long as they could remember, and done a good job. At the village inn the opinions were voiced that America was unloading on us its run-down surplus machinery; that the Americans would have a worse depression than in 1929 if we French wouldn't buy their tractors."

It took a while until the facts oozed through but eventually they did. Today everybody in the village knows that the tractors were given free-of-charge by the American Government to the French Government; that the latter sells the equipment to the French farmers; that the money is blocked in a special fund used for French reconstruction, public works and currency stabilization.

Before the war, the village had 65 agricultural laborers; today there are 28. Yet the harvest of wheat, sugar beets, potatoes has increased 75 per cent since the advent of the American tractors.

If some die-hards needed additional facts to be convinced, they

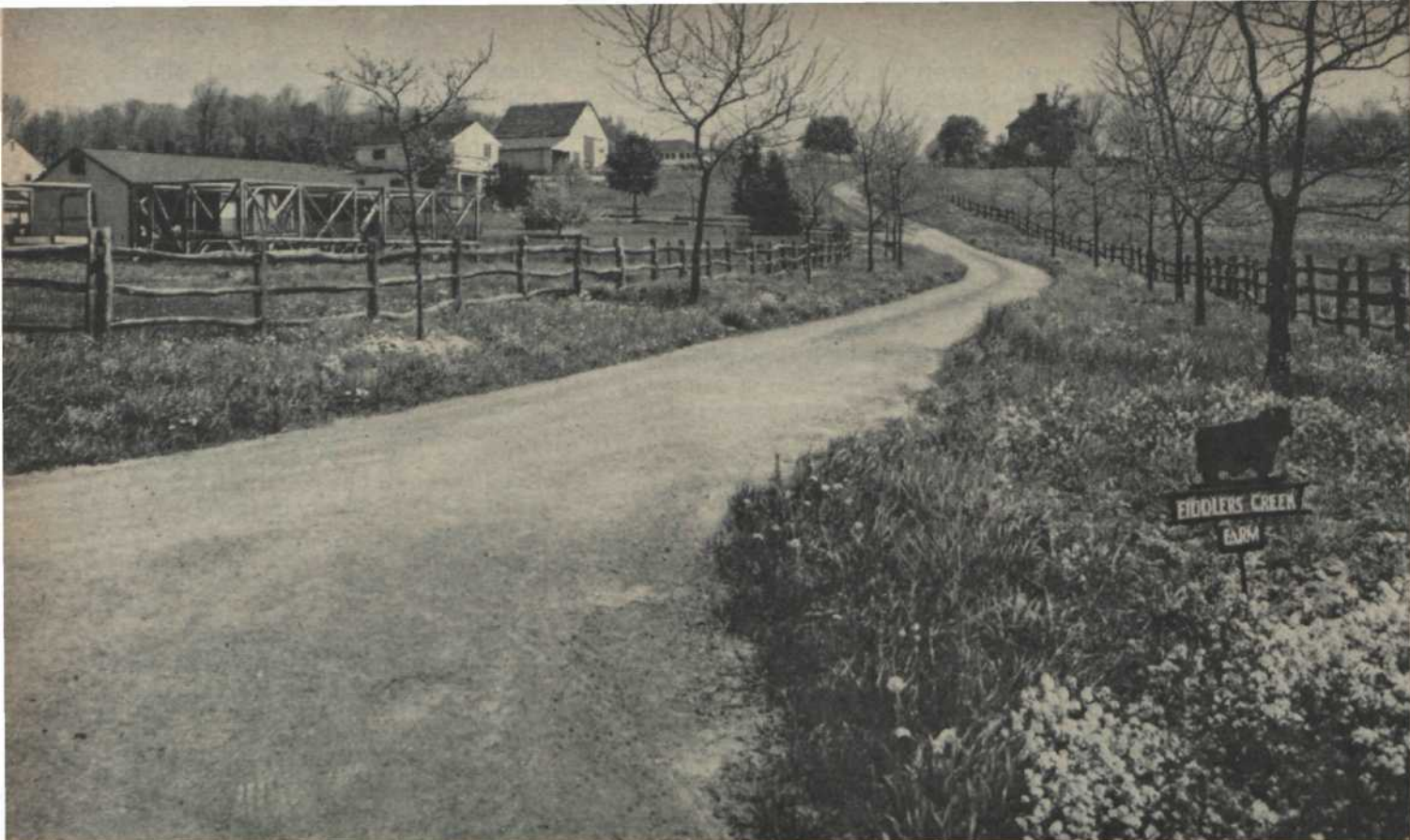


The very dry Martini also is available at many bars

found them in the nearby village of Drulingen, a dairy center, where before the war several cooperatives had been producing butter with antiquated equipment. There were no cold chambers and no machines for pasteurization. When it got warm, the quality of the butter deteriorated rapidly and the supply

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PHOTOS BY WILLIAM M. RITTAGE

**Fiddler's Creek Farm draws only a portion of its profits from grass and beef. It also does a lucrative business in the turkey and smoked bacon departments**

## **THE STORY of a banker who bought a quiet spot in the country and wound up with a proving ground for farmers**

**B**ECAUSE we wanted to see for ourselves just what science had gone and done now, we drove out to Fiddler's Creek Farm, near Lambertville in New Jersey, where we were to be the week-end guests of its owners, Mr. and Mrs. Paul Mazur.

"One of the things that should interest you," we'd been told, "will be the spectacle of a lot of cattle helping themselves to feed in their own 'cowfeteria'—getting their fodder day after day, all through the winter, without human assistance."

This we had to see.

Also, a gentleman at Rutgers University had told us that the Mazur farm was the scene of "an experiment of far-reaching consequence to millions of business men, farmers, processors, consumers, and equipment manufacturers." This, too, sounded pretty grandiloquent. So we were skeptical as the car bounded along the dirt road that led away from the highway.

When we turned into the farm entrance, we saw nothing unusual: grass, rolling hills, a few scattered head of cattle. We were only two hours from the Holland Tunnel, and it seemed to us we'd passed many similar farms on the way.

We had been warned that we might not be the only visitors. Hundreds of farmers had been driving out recently to see what "that banker feller" had been doing in the way of coaxing the maxi-

mum yield from his soil, thereby producing more food at lower prices. But when we stopped our car near the house, we seemed to be alone. The house stood on a hill—an ancient building that enjoyed a fine view of the surrounding country.

A tall, graying man in an old flannel shirt and slacks came out to greet us. Paul Mazur had a warm grin, a friendly handclasp. He led us into the house, where "Dolph"—Mrs. Adolpha Mazur—welcomed us, too; and half an hour later, over lunch, we were plunged into the magic talk of Fiddler's Creek Farm.

"The things you've heard are true," Mazur said. "We've managed them generally by trying to apply business methods to the business of running a small farm."

But, we wanted to know before all else, how had Mazur become a farm expert? We knew him as an economist and a banker—a partner in the century-old firm of Lehman Brothers. We knew he'd written four books on economics and we knew he sat on the boards of such corporations as Western Union, Federated Department Stores, Inc., and Allied Stores, the Dayton Rubber Company, Univis Lens, and several others. But nowhere had we ever heard him talked of as a dirt farmer.

Mazur smiled. "Matter of fact," he said, "12 years ago, when I bought these 130 acres, I had no idea of becoming a farmer. All I wanted was a quiet spot where I could come to rest. I had dreams of dozing on the porch over long week ends."

But it didn't work out that way. True, he built a swimming pool, a tennis court, and the other appurtenances of a country estate, but his attention wandered elsewhere.

"We had beef cattle on the place," Mazur said. "As a city man, I was appalled to discover how





The "cowfeteria" is the answer to Mazur's quest for an automatic feeder for cattle

much it cost to raise them, especially over the winter months. Paying \$1.50 an hour to valuable, two-footed men to serve food to bellowing, four-footed animals didn't make economic sense to me. I'm sure many a farmer would have laughed at such reasoning; but, as I say, I was a novice. I didn't know what was traditionally right and wrong in farming."

When Mazur had totaled up the first year's costs, the economist in him, a little shocked, began to wonder how on earth any small eastern farmer—say a man with 100 or so acres—could draw a fair profit from his enterprise. To Mazur, we gathered, the farmer is a business man, just as surely as the merchant in town. Therefore his business, though a farm, ought to provide adequate returns for the investment in time, money, and labor it demands.

Fiddler's Creek Farm itself, however, wasn't doing that. Why? Was it different from other farms? Not at all. Moreover, in Bob Barnhart, the farm engineer who managed the place for him, Mazur had an experienced and capable supervisor. Yet the returns, in dollars and cents, were far from what he considered adequate. Clearly the farm had to be made to produce more, and its operating expenses had to be cut. What was needed was a system that also would offer the best chance of survival without the need of patronage as well as dollars. But how to perform that neat trick? And *what* should the place produce? Vegetables? Dairy products? Corn? Fruit?

Mazur told us that, once having decided to regard his week-end retreat as a business enterprise, he studied its problems "the way I'd

# The "Retreat" that Led an Advance

By RAY JOSEPHS  
and OSCAR SCHISGALL



It took four years of trial and error and some \$100,000 to perfect this revolutionary cow barn



The young turkey which Mrs. Mazur is admiring may wind up at a swanky Manhattan restaurant



study the reorganization of any other business. What were our assets? What were our potentialities? What did people *want* which we might produce? And how could we produce it at least cost?"

In quest of answers he not only pumped Bob Barnhart but read everything he could find on farming. (Even now the house is crowded with agricultural books, magazines, pamphlets.) Mazur talked to scores of farmers and to the professors at the Agricultural Experiment Station at nearby Rutgers University.

In the end, perhaps because its possibilities were so challenging, he came up with the decision to raise beef cattle.

"But if you're going to raise beef, you've got to produce the raw material first—food for your animals. Grass and silage. I knew very little about it all, except that we'd have to grow food in abundance and at low cost. So that became our No. 1 problem: How?"

He had long conversations with the county farm agent, then began making more trips to Rutgers. The professors urged something called "integrated grassland cultivation," which sounded fairly formidable; but Mazur liked their businesslike approach to his problem. No wild theorizing here. No vague talk. They began by scientifically examining the soil of Fiddler's Creek Farm. What did it lack in potash, phosphate, nitrogen, lime? Once they knew that, they also knew what Mazur would have to add. And they were ready to face the next question: what grasses, grown in this particular soil, offered the best prospects for heavy crops of pasture, silage, hay?

"One thing I saw from the outset," Mazur said as we finished lunch. "Those professors knew more than I'd learn in years. So we reached an agreement. I offered my farm as a sort of proving ground for their ideas—call it a demonstration project. Also, I offered to defray the cost of the experiment. In exchange, Rutgers would supply the best of scientific know-how; and together we'd see just what you *could* do with a small farm." He got up and asked, "Want to see what we've done?"

We certainly did; but also, we reminded him, we wanted to see the "cowfeteria"—that miracle of self-feeding, labor-saving devices.

So he took us on a tour. As we followed a path downhill, we glanced over green pastures. Mazur called our attention to the thickness of the grass.

"What you're looking at," he said, "is a monument to the know-how of Rutgers. Where the average farm may spread some 200 pounds of fertilizer per acre, they used 500. Eventually they stepped it up to 1,100, our present level. They plan to go on to 2,000 pounds—to grow a mixture of Lincoln brome-grass, orchard grass, reed canary grasses and alfalfa. Some have called it an expensive process, but I'm not so sure about that. Not when you consider results. Three head can now graze where only one used to feed; and we get up to four tons of hay per acre—more than we'd really dared hope for.

"The professors did a nice planning job, too: they staggered the maturity dates of our grasses in such a manner that we don't have to work like mad to get all our hay in at the same time. The job is spread over long weeks."

We paused while Mazur made us kneel to study the thick growth. It had turned out that available machinery couldn't handle such heavy stands the way he and the professors wanted to see them handled. "So Tom Morgan, president of the Sperry Corporation, got his New Holland outfit to supply a new model field chopper or forager. They also developed a new rake to toss the cut grass into windrows that were easy to pick up; and we ourselves cooked up a rubber-tired cart into which the cut and chopped grasses are blown."

He got up, looking grave. "So there we were, with grass growing nicely. But—"

Mazur's mind—the economist in him—had kept reverting to the old bugaboo of paying men to feed cattle all winter. It was a considerable item; and the matter of labor costs was something he was accustomed to dealing with at every turn in his business life.

"If we could only work out some kind of automatic feeder—" he had said to his wife.

"Well?" Dolph had answered. "What's stopping us? Why don't we?"

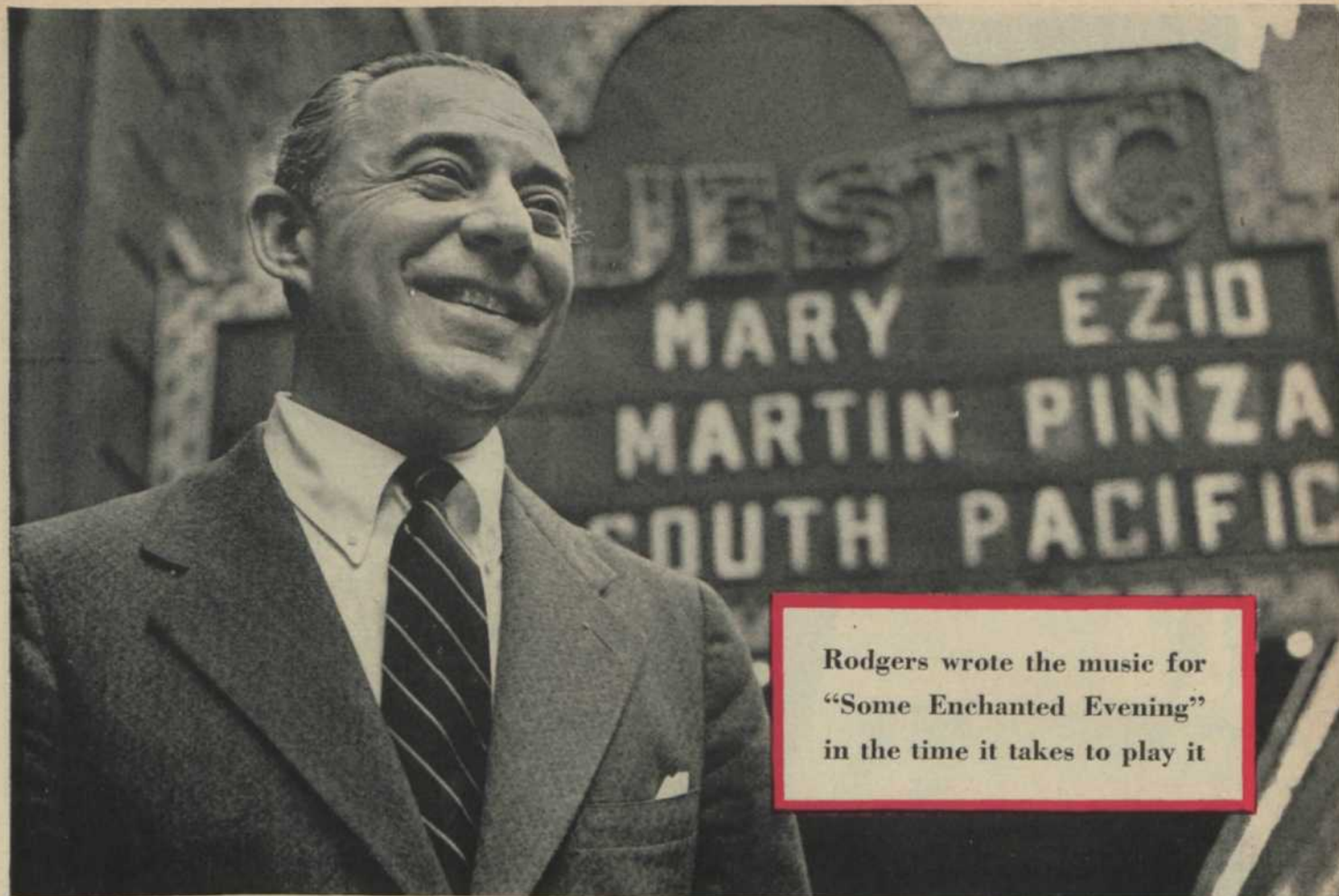
After that, at home and in the office, Paul Mazur took to drawing strange designs on slips of paper. Eventually he hit on an idea that struck him as

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Grouped around Paul Mazur, tieless and bareheaded, are (left to right) Bob Barnhart, farm manager, and Rutgers professors Charles Reed, Harry Besley and Carl Bender





Rodgers wrote the music for  
"Some Enchanted Evening"  
in the time it takes to play it

PHOTOS BY COVELLO—BLACK STAR

# Broadway's Miracle Man

By ALLEN CHURCHILL

**COMPOSER** of some of the top tunes  
of our time, Richard Rodgers is also one  
of the theater's leading business men

**O**NE DAY recently a friend of Richard Rodgers undertook to estimate the composer-producer's annual income.

Bravely he began by listing such known figures as that the annual take of a company of South Pacific is \$2,635,000, of which Rodgers first gets 3½ per cent as composer, or coauthor. As coproducer he gets an undisclosed share of the Broadway show's \$11,000 weekly profit, and a similar share of the more than \$11,000 weekly profit from the successful road company. Another Broadway production, The Happy Time, brings him a coproducer's

share of a weekly gross of \$28,000.

As a member of ASCAP, the composers' association, Rodgers gets \$20,000 a year, which is boosted by sheet music and record sales of songs he wrote with both Lorenz Hart and Oscar Hammerstein II. One of the Hammerstein songs, "Some Enchanted Evening," is selling 600,000 copies of sheet music and millions in records alone, while Oklahoma and South Pacific albums are the top sellers of all time.

In addition to this, Rodgers is collecting a composer's share of Oklahoma companies playing in all parts of the world, a composer's

share of the London company of Carousel and a coproducer's profit on Annie Get Your Gun, the Paris edition of which is called Annie du Far West.

At this point Rodgers' friend hurled his pencil to the floor. "It's impossible to figure how much Dick makes," he said. "All I know is, it's a fantastic amount."

People who are surprised at the composer of some of the most haunting melodies of our time becoming a fabulously successful producer, just don't know Rodgers—and the sad truth is that most people don't.

Yet in many ways the retiring, soft-spoken, 48 year old Rodgers is a miracle man. In 15 years he wrote (with words by Lorenz Hart) the music for 27 Broadway musicals, of which 23 were successful.

More than the work of any other composer, the melodies he wrote with Hart—"My Heart Stood Still," "Lover," "Falling In Love with Love," "Small Hotel," "Ten Cents a





In seven years Rodgers and Oscar Hammerstein II, left, have turned out six big hits

Dance," "Bewitched, Bothered, and Bewildered"—catch the bitter-sweet flavor of the prewar period. Today nearly 75 of them are what the music business calls standards. That is, classics.

Hart died in 1943 and Rodgers joined with Oscar Hammerstein II, who wrote the lyrics for *Show Boat*, *Rose Marie*, and *Desert Song*. Together they wrote *Oklahoma* (which grossed \$20,000,000 and won a Pulitzer Prize), *Carousel*, *Allegro*, *State Fair* (a film which won an Oscar) and, finally, *South Pacific*. Since Rodgers started working with Hammerstein, his melodies have taken on greater emotional depth and simplicity—and sold more copies than ever.

Musically Rodgers is unique. Where other composers hear snatches of melody as they ride in taxis, watch sunsets, or spend sleepless nights, he never does. Composing solely for Broadway plays and occasional movies, and never for pleasure, he creates only when he must. "Melodies never

come to me," he says. "I go to them." And Mrs. Rodgers, who has watched him for 20 years, adds, "He can turn his inspiration on and off like a faucet."

With Hammerstein, Rodgers works in the manner of Gilbert and Sullivan—that is, Hammerstein writes his lyric first, then sends it to Rodgers, who sets it to music. Nowadays, Rodgers writes only when faced by a Hammerstein lyric and the ease with which he proceeds from there is a source of wonder to Hammerstein, who sweats over his words.

Rodgers doesn't even perspire. After Hammerstein had worked for weeks on "Happy Talk," one of the songs in *South Pacific*, he mailed the lyric to Rodgers. Next morning he telephoned to see whether it had arrived. "It's been here 20 minutes," Rodgers told him. "The song's done."

Later, at rehearsals for *South Pacific*, the orchestra played "Some Enchanted Evening" for the first time. Deeply moved, the musi-

cal director said, "It's marvelous, Dick. How long did it take you to write it?"

"As long as it took you to play it," Rodgers told him.

Rodgers, who never has been known to have a fit of temperament or in any way behave like the traditional composer, has successfully adapted his music to such disparate communities as *Oklahoma* and the *South Pacific*. But his greatest job of adapting has been himself. He began when, after collaborating with Hammerstein on *Oklahoma*, he found that the lyricist like himself nursed a desire to produce plays written by others.

The result has been cataclysmic. In seven years the firm of Rodgers and Hammerstein has produced six theatrical successes, including their own *South Pacific*, the biggest hit the theater ever has known. Rodgers and Hammerstein have had five hits running simultaneously—a stupendous record in the world's most uncertain profes-



sion. Broadway, after exhausting its superlatives on early R-H successes, now merely says when a new one opens, "It couldn't happen to two richer guys."

Early in their producing career the two partners realized that, since they had turned into a big business with an annual payroll of some \$1,750,000, one of them would have to function like a chairman of the board, keeping a nonaesthetic eye on the endless details involved in a fistful of hits. When this realization struck, Hammerstein, known as the gentlest man on Broadway, looked hard at Rodgers. The latter is medium-sized, slender, dresses conservatively and has graying hair that grows back from pleasant features which seem a trifle heavy for the rest of him. He's always looked more like a business man than a composer. Hammerstein needed only one look, then said, "You're it."

Since then Rodgers has been it, attending to business details all the way down the line to signing paychecks. Believing that adaptability is the spice of life, he has fitted into business and loved every second of it. The only thing Broadwayish about Rodgers is his quick, fluent speech. "I'm delirious," he tells those who inquire about his new life. "I'm the most fortunate guy in the world—happy at home, in my work, in my associates. The day I'm not, don't come around. I'll be in a box."

**R**ODGERS was born June 2, 1902. His father was a doctor on New York's West Side. His mother was a merry woman who filled the house with song.

By the time he was four years old Richard could sit at the piano and pick out songs from such current successes as *Mlle. Modiste* and the *Merry Widow*. He did not let musical precocity interfere with his studies, however, and at 17 became a Columbia University freshman. Also in the student body at the time, or recently graduated, were Bennett Cerf, Morrie Ryskind, Oscar Hammerstein II, Herman Mankiewicz, Howard Dietz and others who have become famous in literary and theatrical worlds.

With such talent overrunning its campus, Columbia lavished on Varsity Shows the attention that in more recent years has been given to football. It was the dream of every student to contribute a song, a lyric, a joke, or even a word, to a Varsity Show. Though a lowly

freshman, Rodgers was no exception to this. He submitted a group of songs and shortly the campus was rocked. His songs were so good that he was named to write the score for the entire show. He was informed of this by Hammerstein, who as a senior and member of a theatrical family was a formidable campus figure. "When we shook hands, mine trembled," Rodgers recalls.

As another reward for his spectacular success Rodgers was taken to meet Lorenz Hart. Hart already had been graduated from Columbia, but the lyrics he wrote while there had been so brilliant that he was asked to contribute again.

Always a neat dresser, Rodgers' first glimpse of the man with whom he was to collaborate for the next 25 years was a shock. A tousled youth, only five feet tall, Hart was attired in an undershirt, check jacket, dress trousers and carpet slippers.

Despite this, the two immediately liked each other. Continuing their collaboration after the Varsity Show, they wrote songs which Hart peddled around Broadway, while Rodgers attended classes. The fact that his partner was so professionally engaged made college tame to Rodgers and at the end of his second year, he left to attend the New York Institute of Musical Art, now the Juilliard School.

But the influence of longhair composers like Wagner and Beethoven failed to make his music more marketable, and Rodgers and Hart began the period of nonrecognition traditional to young talent. Though he never went hungry during this period, Rodgers felt humiliated to be on parental allowance. After seven years, he was fed up with music. He asked a friend to get him a job in the garment business.

*(Continued on page 60)*



Mary Martin, South Pacific's leading lady, and the composer





# KINDNESS CAN KILL

I'VE ALWAYS suspected that old Doc Scott, the vet, almost said something to me about killing this dog with kindness. He didn't exactly *say* it and maybe he wasn't even thinking it. Perhaps an uneasy conscience on my part put implications into his words that weren't there. Anyhow, it cured me of one method of making a dog do something that his ancestry and early experience hadn't fitted him for. If you set out to make a dog over don't put the strategy on a personal basis, mister. Stay tough and then you won't have to carry the special sort of regrets I've been lugging through the years.

This setter dog I'm talking about was Loutit's Keith and I'm not spinning just another yarn, either. He can be checked up in the A.K.C.

registry. And if you were following field trials in the early '30's maybe you'll remember him because he was in many a race. And if over the years you've had even the most casual interest in English setters you've heard of his father, Jersey Prince. Sure, Champion Jersey Prince, one of the grand performers of those days and sire of many noble pups.

I'm not a field trial man. I'm an old-school grouse hunter and have aimed to own only careful, close working gun dogs and, anyhow, never had the dough to collect great breeding. Keith was a gift.

He was Bill Loutit's property. Bill—W. H.—Loutit, manufacturer, banker, chairman of the Michigan Conservation Commission those many years and about the grand-

est human that ever made a fine business success and then put the best of his maturity into public service. I was one of his commissioners and until the middle 70's slowed him, he and I ranged this west Michigan grouse cover each October. He loved every step of a swing and could get more fun out of missing 'em than anybody I ever knew.

Bill had owned Keith's dam, had arranged the Jersey Prince mating and kept two of the dog pups. I don't know what happened to the one and never saw Keith until I became his owner. Since puppyhood he'd been with a trainer, working on quail in the south and chicken in the north and entered in trials all over the place. Bill talked about Keith a lot, telling how he'd been





## By HAROLD TITUS

outclassed here and nosed out there and maybe squeezed into the money some other place. He'd go red in the face laughing at how the handlers were taking him for a ride. I never got too much of this; I aspired to no part in such activities but I surely liked the chatter.

"He's smart and big going for certain," Bill would say, "but not quite dog *enough*. Still, he comes so close to it that I keep on being a checkwriting sucker!"

That ended, however. Bill was too shrewd a man to back a loser indefinitely.

"Listen," he said over long distance one day, "how'd you like to have Keith?"

"What d'you mean, have Keith?"

"I'd like to give him to you. He got edged out in this grouse stake

yesterday, my Scotch is up and I'm through," he said. "I don't know what you can do with him, if anything, but he's coming five and maybe he'll slow down with age and be some good to you. I know you like breeding and he has it."

Well, now! I stammered a lot of phony protests at such generosity and then a lot of thanks and got told to watch the express.

"But remember," Bill warned, "he's hardheaded and big going. Don't let him get away and lead you a chase. And he won't do in a house. I don't want Mrs. Titus to blacklist me!"

He had stumbled over his share of dogs in our home, understand.

Long distance had a busy time the next day. Calls came in from a half dozen dog men who'd heard

**He froze in the air. You never saw anything like it**

the story and wanted Keith. One and all assured me he'd never make a grouse dog and a couple of them got plenty sarcastic when I said I'd have to learn that the hard way. They wanted him for quail, for chicken, for stud and offered what to me were fabulous sums but, naturally, you don't accept a gift and turn right around and take dough for it.

My heart certainly took a jump for itself when I uncrated that dog. Something to behold, mister! His was a head on which to model all setter heads: high, rounded crown, wide between the eyes, just the right angle of break and a lovely, square muzzle; brown bumble bees over the magnificently intelligent eyes and mahogany patches on the jet of his chops. The rest of him was as good: broad chest, deep brisket, feet well under him and grand feathering.

But he was a queer actor. He was as glad as any dog to be out of the crate but there was none of the usual show of gratitude to the one releasing him. He sniffed my hands as I snapped on the leash—but almost indifferently. He looked me in the eye—but only appraisingly. Still, he was happy—but like a man mighty well pleased over something that he considered nobody's business.

I put him in the run with my dour old pointer and no fuss resulted and next day took him out. Being warned, I didn't loose him until we were in the middle of an 80 acre alfalfa meadow. The handler's scrawled note had said it was one whistle to go on and two to come in and that was straight enough but, brother, you wanted to sound those two blasts in a hurry if he was only going to be in sight for 80 acres!

He swung away down wind and then of his own accord came into it with sweeping casts left and right and going like a whippet! Ears back against his neck, tongue flopping, belly almost scraping the stubble, he just smoked over that field! I had trouble turning him when he neared the far end but maybe the rush of air and the pound of his blood didn't let him hear too well, I thought. Anyhow, he finally stopped and, one foot raised, ears cocked, looked back for orders. I gave the double blast again and in he came but I had to



grab him when he got close because after making that gesture of obedience he was hell bent to go right on.

He grinned and his tail threshed and he wagged like a puppy but none of it was for me. So far as he was concerned, I just wasn't in it, understand? He was bubbling over with joy but it was plain as day that he wasn't sharing that joy with anybody. It gave me a funny feeling. He'd never been anything but a speed machine, see, and man was only a commander—never a companion.

Winter held off and I had good chances to work the dog. I wanted to see him on birds but he was too hard to handle to risk putting him down in grouse cover. That, with us and late in the season, is thick stuff and if he got out of sight my control over him—no more than a finger hold at best—might slip badly and one failure, I knew, would be just another handicap.

But we had a few pheasants in open farming country west of town and I saw him handle birds there and I'm telling you it was an experience! I let him go on a high point above a valley where corn shocks stood and he went down the slope 20 feet at a lick and hit the

slowed to a walk to test him and strolled across the flat and past him into the patch of weeds ahead which made a good hide. It was such a good hide that I almost stepped on that hen pheasant before she broke and ran and took wing when she hit bare ground.

Keith didn't move. He relaxed and watched her go and his tail wagged a little but he never gave me a look as most dogs will after a flush when they figure you're a couple of guys having fun together.

I was pretty emotional over that performance. I'd have made a fuss over him if he'd stayed there—something I hadn't done before. But he didn't stay. At my first Good dog he was yonder again. He didn't expect fuss or praise. All he wanted was to get on with his business.

Well, the question was how could I put all that sense and style to work on my kind of hunting?

Skip to the next summer, now. I suppose a professional trainer would have got a chuckle out of watching me but I used what I knew. I used a check rope to hold him in. It was a chore, all right. Keith didn't want to work within any measly 60 feet. Letting him have only that much or there-

It would bang his knees and get between his front feet and make him go spraddle-legged and hippity-hopping along ungainly as all get out. He didn't show any particular resentment, though. Now and then he'd nip at the hobble but about as you'll absently bat at a bothersome fly when you're concentrating. By then he was mind-ing voice fairly well and I'd quit the whistle.

Bill had had reports on all this and I told him I had a hunch we'd get a little work out of Keith, come October. It came October and we met at our usual place.

"I don't want to bum him up with a hobble in actual hunting," I told Bill, "so I'm using this bell." It was a little sheep bell, made of bronze, with a musical, far-carrying note. "If he stands in thick cover I don't want to turn him down and I'm not sure I can keep him in sight all the time."

What an optimist I turned out to be!

I kept Keith at heel—quite a chore—for a short walk from the old tote road back to a low ridge where choke cherries grew sparsely and where, off toward the swamp edge, wintergreen and wild strawberry and white clover waited for birds.

"Hie on, now!" I said to Keith and waved him on and away he went.

Away he went as though the devil were after him! No cord, no hobble. Free at last. I tried to Whoa him 20 rods from the swamp edge and might as well have tried to Whoa the wind! I got the whistle out and blew myself right up to the edge of apoplexy but he never turned a hair. We just stood there, listening to the bell go out of hearing. After a long wait it came back toward us; not directly toward us but in our general direction. He broke out of the swamp a quarter mile ahead and scorched across the ridge and into thick poplars on the other side with me blowing my lungs out on the whistle and Bill laughing until he wheezed.

It was about 8:30 in the morning when we put Keith down. We picked him up at dusk, five miles away, and so pleased with himself that it almost got me over my mad—even if he did refuse to cut us in on his ecstasy.

But I'd set out to do something and wasn't licked yet. I had a strategy in reserve, the one that would give Doc Scott the opening that's bothered me ever since. That is, if Doc almost took it. . . .

Keith had never been one of the  
(Continued on page 68)



flat and swung into the wind. His bounds looked short because he traveled so fast but they were really long and right in the middle of one he nailed a bird. I'm telling you, he froze in the air. He'd been going across wind and caught scent at the peak of a bound and stiffened there and lit bouncing sideways on rigid legs. You never saw anything like it! Indecision? It just wasn't in him!

I started downhill at a run, yelling to hold it. That was silly. There was no need. Head up, ears stiff, tail up, he was set to hold until that bird moved if it took all week. I

abouts was like giving a ravenous man a cocktail wafer for a meal. He got stubborn about it, too, and insisted on keeping on when I ordered him to stop and it took a lot of up-endings with that cord to prove I was boss. Or a part-time boss, anyhow.

But even when I could keep him comparatively close he went too fast. He'd cover his restricted range like a bat out of hell and kept me walking faster than would be any good at all, come hunting season. So I put a hobble on him, a thick maple stick a foot long, hanging from his collar by a swiveled snap.





Robb faces an umpire's hardest decision: the attempted steal home

# Who Wants to Be an Ump?

By JOHN DURANT

ONE OF the worst days Douglas W. (Scotty) Robb ever had was at Sportsman's Park, St. Louis, in 1948 during his first full year as a National League umpire. Scotty was working first base, the Giants were in the field and a Card runner was on first. A sharp grounder came to shortstop Johnny Kerr who stepped on second with the ball, forcing the runner. One out, the call being made by umpire Nick Jones. Now, in a split second came the back end of the double play—the throw to first.

Scotty saw that the runner steaming for first was going to be out by a full step. As Kerr's throw plunked into the glove of first baseman Johnny Mize, Scotty's hand shot up and he bawled, "Yer out!" But the throw was wide and it pulled Mize off the bag as the runner stepped on it. He was safe as every one of the 33,000 people in the park could see—everyone ex-

cept Scotty, whose vision was blocked by Mize's lunge towards him for the ball. The decision stood.

"I only did three things wrong," says Scotty, an affable gray-thatched man of 43 who stands a trim five feet, ten inches. "I anticipated the result of the play. I called it too soon. I was out of position and didn't see Mize's foot off the bag. Those three mistakes are the ones green umpires make most often. I made all three in a tenth of a second. It was a tough day."

It got tougher after the rhubarb died down and the crowd kept yelling at him for three innings. Final-

ly Scotty faced the stands and tipped his hat, hoping to get a laugh and quiet down the crowd. It was his fourth mistake. The roars became deafening and there was no letup from then on. That night Scotty thought of turning in his suit. The least he could get would be a dressing down and a fine by Ford Frick, president of the National League, he thought. But Frick, realizing perhaps that everyone has an occasional off day, said nothing and the next afternoon Scotty was behind the plate, his bad day forgotten.

Like all umps Scotty is an extrovert and doesn't carry the griev-

**WHAT executive wants to be called robber all day for making decisions 99 per cent right?**

**Yet the big leagues' 27 jobs never go begging**



ances of a tough game overnight. If he did he wouldn't last a season. Unlike any other sports figure an umpire is at his best when he's least noticed—both on and off the field—and perfection in his work is taken as a matter of course. It is never praised.

Imagine a business executive—if a flight of fancy may be permitted here—sitting at his desk surrounded by thousands of critical onlookers who are convinced they know more about his business than he does. The executive is a trained expert, completely honest and capable, but he's called a blind man, thief and robber all day for making decisions that are 99 per cent right and are in the interest of those howling at him.

Away from his work his private life must be as circumspect as a clergyman's—no drinking in public, not even a harmless beer, no nightclubbing and he must dress conservatively at all times. (One of the game's best umpires was let go a few years ago because he got around too much at night. He didn't smoke or drink and wasn't a

ladies' man but he was a Fancy Dan around the Broadway clubs where he liked to gab late with the local characters. He's still looking for a job.)

Such restrictions would cause the average business man to quit a lucrative job. But umpires are not average people. Despite the daily abuse from the stands, the wrangling on the field and the segregation which forces them to use hotels, trains and dressing rooms apart from the players, there are many more candidates for the 500 odd jobs in two major and 60 minor leagues of organized baseball than there are jobs. Never does any display of sportsmanship gladden an umpire's heart.

The classic example of this happened in a game American League umpires Harry Geisel and George Hildebrand were working in St. Louis. The Yankees were up with Lou Gehrig on first and outfielder Bob Meusel at bat. Meusel hit to shortstop Kress and Hildebrand, working the bases alone, crouched toward second to call the first half of the double killing. For some un-

determined reason Kress threw to first, although he had plenty of time to get the slow-moving Gehrig at second. Hildebrand, intent on the expected putout at second, failed to turn in time to see the play at first. Meusel was out by ten feet but by the time the stunned Hildebrand looked around Meusel had crossed the bag. The umpire quickly summoned Geisel for a decision.

"Sorry, George," said Geisel. "I was bending over dusting off the plate. I didn't see it either." In desperation Hildebrand appealed to Meusel's sportsmanship. Surely, the ballplayer with his team several runs ahead would give him a break and admit that he was out. "You're getting nine grand a year for calling plays, Hildebrand," was Meusel's cool reply. "Let's see you start earning it." Hildebrand had to call him safe.

Umpires, despite some opinion to the contrary, are not "untouchables" but are in the main genial fellows with an intense pride in their work and a devotion to the national game that few ballplayers have. The cliché, "Nobody loves an umpire," is as dated as the gutta-percha golf ball. Scotty Robb, for instance, was the recipient of a testimonial dinner and an automobile given to him by 1,100 admirers last year in his home town of Cedar Grove, N. J. Even in Brooklyn umpires have been treated with consideration.

It was there that the Dodger rooters' five-man Sym-Phony Band was ordered to stop playing "Three Blind Mice" as the three umps emerged from their dressing room to start the game. Too humiliating, said the high powers.

In St. Louis, the Donnelly Funeral Home limousines take all umpires to Sportsman's Park and deliver them back safely to their hotel without charge after every game. The custom began 31 years ago when the umps, chased by fans after a tough game, sought shelter in a passing Donnelly funeral cortege.

But the millennium dawned in Cincinnati in 1945 when fans passed the hat around and collected \$100 which they gave to umpire George Magerkurth. It was the amount he had to pay by court order to an abusive front row fan whose nose he punched.

Umpires have come a long way since the turn of the century when most of them were booze fighters and bully boys. Despised and often assaulted by fans and players, dominated by club owners who

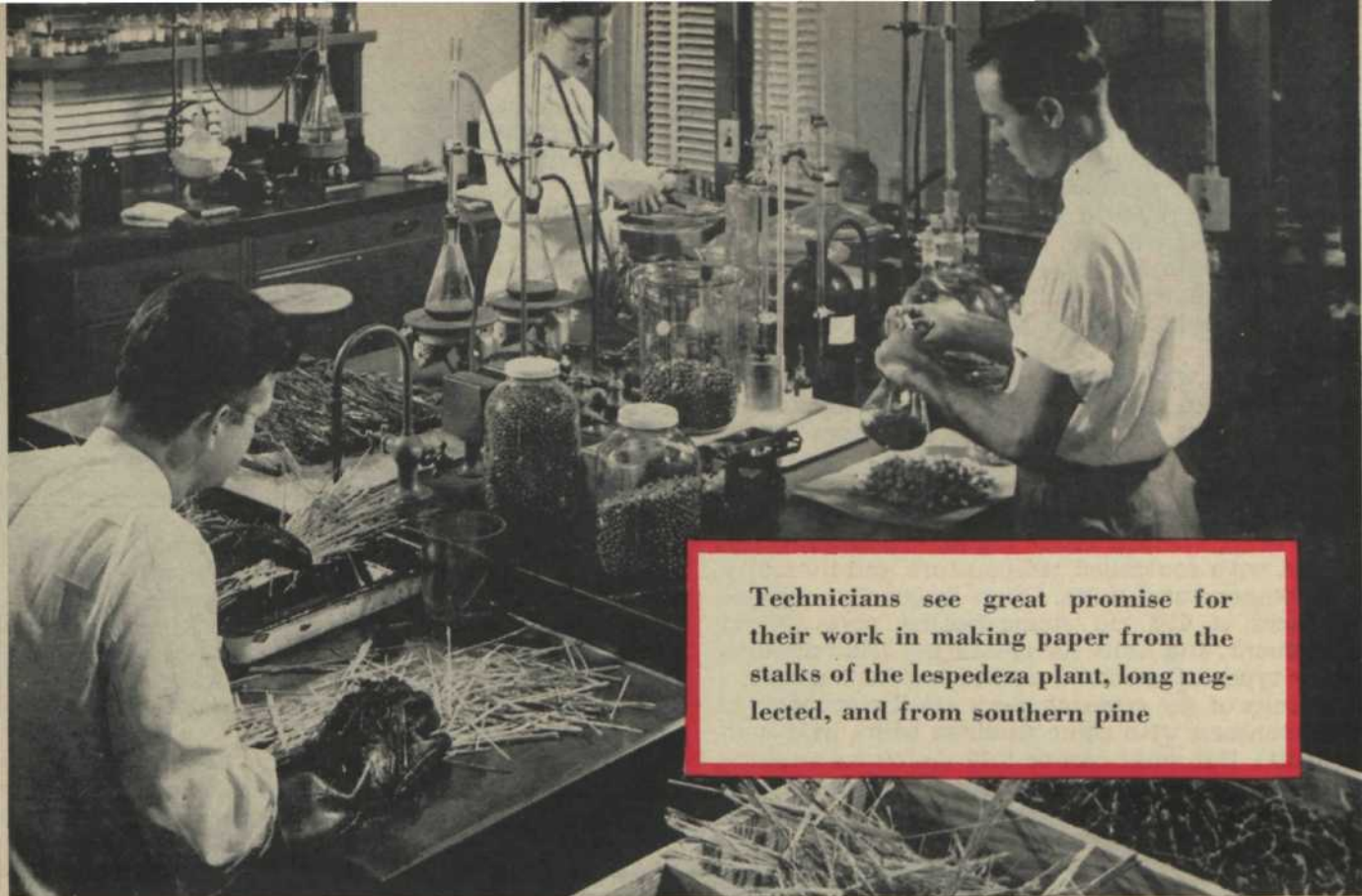


Every close play brings its own "rhubarb." This one began when Robb, back to camera, called a Dodger safe in game with Cards

ACME PHOTO

(Continued on page 66)





Technicians see great promise for their work in making paper from the stalks of the lespedeza plant, long neglected, and from southern pine

# Dixie's Industrial Boosters

By O. K. ARMSTRONG

**TODAY southern business leaders bank heavily on scientific research to assure their region's future**

**R**ESearch is the foundation of all industrial progress." The statement was made by Charles F. Kettering, retired director of research for General Motors. The truth of Kettering's statement is being demonstrated in Birmingham, Ala., through the Southern Research Institute.

This organization, less than ten years old, is a spearhead in a man-sized industrial revolution, based on scientific research. It is developing local resources, creating new industries, increasing employment and lifting the standard of living, not only in the South but throughout the country.

Beginning in the early 1930's, various groups of southern business men discussed the need for more industries. Moving spirit of those talks was Thomas W. Martin, president of the Alabama Power Company. Martin hammered his theme:

"All our communities need more earning power. That can come only with greater production, which in turn can come only through scientific research. So let's go into scientific research."

In 1941, under his leadership, about a dozen business men formed the Institute. They set up a corporation, controlled by a board of trustees, with Martin as chairman. The war years held up all activities except raising of capital funds. By October, 1944, the group had acquired three acres with an old residence and carriage house near the heart of Birmingham. Conversion of the buildings into laboratories and workshops began. In April, 1945, Southern Research Institute opened for business.

Starting with a handful of chemists, SRI now has a staff of 90. The director, Dr. William M. Murray, Jr., is an authority on the broad field of industrial research. Dr. Reavis C. Sproull, an assistant director, is one of the nation's leading experts on forestry products. Dr. J. H. Mitchell, Jr., is the Institute's authority on foods. Dr. Carl Bordenca, native of Birmingham, directs organic chemistry projects.

All the topflight personnel hold Ph.D. degrees. Many have had outstanding careers. Promising young scientists are recruited as the need arises.

The plant has five permanent buildings, worth \$1,500,000, providing 40,000 square feet of working space for laboratories and equipment. Newest structure, the Robert I. Ingalls Laboratory, was completed last November at a cost of \$150,000. About 200 separate projects have been undertaken, at a cost of more than \$2,000,000.

In addition to the trustees, there is an advisory



board of 125 members representing every type of industry: public utilities, tobacco, transportation, mining, farming, banking and education.

Anyone is free to come in and discuss possible research needs. When it is established that there is no conflict with other projects, and general agreement is reached as to the work program, a contract is signed. The contract includes a statement of the project's objectives, cost to the sponsor and rate of expenditure. The work then is assigned to staff members best suited to follow that particular line.

There is a wide variety of projects under experimentation. In one workroom peanuts are taking various forms. In another, an ingenious device smokes cigarettes. The tangy odor of oranges and other citrus fruits fills a third. Cotton, coal, wood preservatives—items vital to farming and industry—are being studied. There are air-conditioned test rooms, with controlled temperature and humidity, low-temperature units, high-frequency melting furnaces, a 450 ton steam-heated press, X-ray equipment, and units for measuring and recording many types of chemical and biological reaction.

Results of the research work are the property of the sponsors, with some findings being held confidential. But what can be told makes an amazing success story of new techniques in manufacturing, transportation and production generally, of prospects for steadily rising levels of industry.

For example: Iron ores mined in southern states traditionally have been penalized because of their high phosphorus content. Phosphorus in cast iron has a dulling effect on the cutting edge of machine tools, especially at high speeds. The Woodward Iron

Company, operating in Alabama, asked metal experts at the Institute to tackle this problem. They did—and came up with an improved type of cast iron, which is easily machined. Foundries throughout the country will reap the benefit of this discovery.

Tradition has it that Mohammed went to the mountain because the mountain refused to come to him. SRI engineers have started bringing mountains of coal to consumers—without mining the coal. It's burned underground to form a gas, which in turn is piped where it is needed.

Alabama Power Company officials sponsored this project, cost \$500,000, in 1947. The idea sprang from the fact that much of our reserves of coal lies in thin seams or has a high ash content, making mining too costly. Underground gasification of the coal is an answer.

Early in their work, SRI engineers began to study the economics of a practical "heat pump." Here's a gadget with possibilities for both heating and cooling of homes and public buildings. In summer, the pump cools the inside of a building by passing the heat to the outside. In the winter, this process is reversed, with heat brought in and the cold kept out.

What's revolutionary about that? Simply that Institute experts have shown it is practical to take heat out of the earth, where the temperature is constant in all seasons, for heating during cold weather. In warm weather the heat is sent back into the cooler earth. Backed by the SRI study, several commercial companies are reported ready to produce the heat pump.

"By numerous such projects, we are demonstrating the importance of scientific development of resources," Dr. Murray said. "Also, that the progress of one area benefits the living standards of the people of all the country."

The Institute has devoted much effort to raising the value of farm products and turning many of them into industrial uses. Peanut butter is a tasty example.

Peanuts are grown in every southern state. The work of the late Dr. George Washington Carver of Tuskegee Institute in developing new uses for the peanut helped to make him famous. SRI is con-



One project, under Dr. R. K. Allison, has dealt with the chemistry of flavoring oils. Another has been to find ways to improve the quality of peanut butter

JOHN FABER







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the harder they <sup>can</sup> fall...*

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large motors like the 1500 horsepower pulp mill chipper motor shown here down through all sizes and types for every service. Fairbanks, Morse & Co., Chicago 5, Illinois.



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tinuing such experiments, along two important lines:

First, in a project sponsored by Cinderella Foods of Dawson, Ga., food chemists found ways to improve the quality of peanut butter. One improvement increased its "spreadability," another overcame its tendency to turn rancid. Still another prevents the separation of the oil when peanut butter stands.

Second, a new food product was created—peanut cream. A mechanical process changes the peanut mixture into a fluffy liquid, about 40 per cent fat.

Next step, naturally, was to add flavors to the peanut cream and freeze it. The result? Dr. Mitchell calls it "a most satisfactory ice cream." Big worry for a while at the laboratories was whether the peanut ice cream would take the "overrun"—that 50 per cent of air that goes to make up the body of ice cream. A mechanical process solved that problem. And, with the addition of chocolate, a peanut chocolate milk has been created.

Thus new fields of use for the peanut have been opened, calling for greatly increased acreage of this food plant if the demand for the new products grows as expected. The principal peanut project is sponsored by a large dairy company.

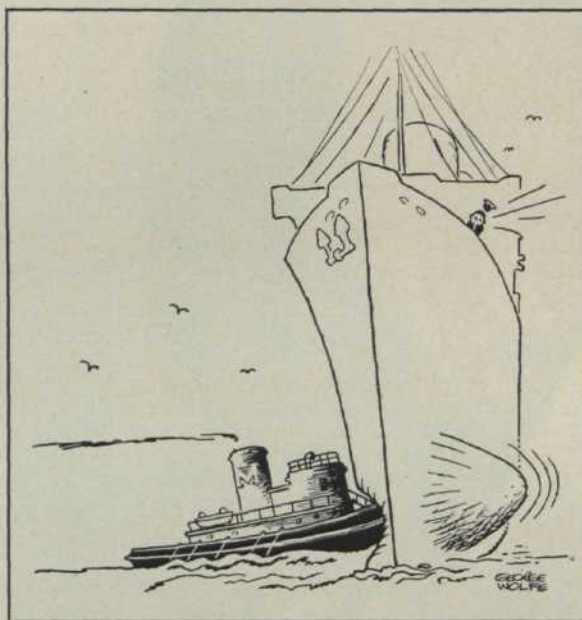
A few years ago potato chips became big business, and the National Potato Chip Institute was formed to look after the industry's growing interests. The trade organization turned to SRI for a research program to increase the "shelf life" of potato chips. Experts looked into the types of frying fats and oils used, the effect of light transmitted by various kinds of paper bags, moisture absorbed by the chips, and so on. Now they have produced potato chips that stay crisp and palatable for four weeks.

In a long-range program sponsored by the Bristol-Myers Company of Hillside, N. J., the Institute has been conducting a study of the chemistry of flavoring oils. This led to a successful hunt for synthetic compounds to be used as substitutes for spices. Another project, sponsored by Food Machinery Corporation of San Jose, Calif., and Lakeland, Fla., produced new extracts from citrus peelings. Using d-limonene, a terpene compound from the oil of orange and grapefruit hulls, a satisfactory spearmint flavor was discovered. Flavors

of many varieties like peach, almond or mint also were found.

Dr. R. K. Allison, in charge of these experiments, warns that the new compounds must undergo extensive trade tests before they go into full commercial use. "But it seems inevitable," he adds, still with a scientist's caution, "that a number of these products will be acceptable and that d-limonene will become of considerable economic importance."

Usually research men work along in leisurely fashion. But they move in a hurry if they have to. Recently a Florida margarine manufacturer rushed up to Birmingham to report that about 200,000 pounds of his product, stored in a warehouse, had turned bright red. The ware-



house men refused to assume responsibility for any colors margarine might turn.

An Institute chemist knew that, if artificially colored margarine comes in contact with sulfur dioxide, it will turn from its normally yellow color to a bright red. Sulfur dioxide was used as a refrigerant gas in that warehouse. Next step was to check the cooling system. Sure enough, a leak was found. The manufacturer was saved responsibility for the loss of his margarine—at a cost of about \$100 paid the Institute.

If the country is to maintain an adequate meat supply, there must be more stock feed. Now a new source of stock feed has been found—tung meal. A native of China, the tung tree produces a nut rich in oil needed in the drying of paints and varnishes. About a generation ago, hundreds of orchards, ranging from ten to 50 acres, were set out along the Gulf areas. Meal from

the nut, after the oil has been squeezed out, used to be thrown back on the soil as fertilizer, since a toxic property prevented its use as stock feed. SRI chemists eliminated the toxic chemical. Tungmeal feed now can be produced commercially, promising a big boost to incomes of tung raisers.

One of the most promising projects at SRI is the making of paper from the stalks of the sericea lespedeza plant and from wood. Wood has been a source of paper for a long time but lespedeza paper is entirely the baby of the Institute.

Lespedeza is a legume, highly desirable for grazing and for soil improvement. It grows 30 to 40 inches high, with a hard and woody stalk. When the leaves are harvested, the stalks remain as waste. Walking through his field of lespedeza four years ago, E. H. Pearson, a farmer living near Prattville, Ala., decided it was a shame not to turn those waste stalks into money.

"Why not make paper out of them?" he asked the Institute. That started the project. Experiment stations at Georgia Tech, the University of Florida and Alabama Polytech at Auburn all are working to adopt lespedeza to southern soils. Now in SRI's labs you can see a variety of high-quality kraft papers, along with egg crates and other cardboard containers—all made from sericea lespedeza.

In Autauga County, Pearson's home community, only his 20 acres were planted to this produce in 1940. Today there are 10,000 acres, and Charles Breedlove, county farm agent, estimates that 30,000 acres of marginal land in that county can be planted in sericea within the next five years.

"There's hardly any land so poor but it will grow lespedeza," commented Dr. Sproull. "That means that paper-growing may soon become one of the big cash crops of the southern region."

At the same time, experiments have gone forward on the never-ending battle to improve processes of making paper from southern pine. From the beginning of this industry 25 years ago, the bugaboo has been to free pine pulp from resin and gum. The Institute has applied a secondary chemical treatment for pine pulp. The result is a thin but durable tissue paper. Experts say that instead of making only kraft paper to sell for eight cents a pound, southern mills soon





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put you in touch with New York Central's nearest Freight Traffic Representative... who can help you take full advantage of this day-saving merchandise service. It's a *premium service* at *regular LCL rates* that include *free pick-up and delivery* at most points.



# New York Central

The Smooth Water Level Route





will be turning out tissue worth 50 cents to \$1.25 a pound.

In those Birmingham laboratories you get an impression of how important wood is in the economy of America. Institute experts estimate that industry is consuming wood at the rate of 6,000,000,000 cubic feet, or 90,000,000 tons, per year, but the U.S. Forest Service reports that only about 40 per cent of the tree is converted to useful products other than fuel. That means a waste of about 150,000,000 tons of our wood supply every year.

Spurred by such figures, Dr. Sproull and his associates made a study of wood waste. They began work on a few crossties taken from a railway siding after 22 years of service. Removing the preservative and giving the wood certain chemical treatments, they perfected an insulating fiber. Enough of this commodity can be made from discarded crossties alone to begin rapid insulating of thousands of homes.

Ultimate goal at the Institute is to use all the wood without any

secondary waste. To help that along, one of Dr. Sproull's assistants came up with a substitute for cinnamon. It can be made from any sort of wood waste—or even from corncocks.

"My wife baked some cookies with it," Dr. Sproull told me.

Textile mill men long have hoped to decrease the shedding of yarn from abrasive action during weaving. Operators of Avondale Mills at Sylacauga, Ala., asked the Institute to undertake research on the matter. SRI chemists worked out various "sizing" compounds to coat the yarn. Engineers constructed a testing machine which measures the effectiveness of the sizing treatment. Waste from shedding has been materially reduced. Now tougher, more durable fabrics have started rolling from textile mills all over America.

Numerous SRI projects point up the possibilities of increased wealth from new products. In Institute laboratories a new paint formula was developed. In addition, a process of "sterifying" oil from the

pine tree, known as "tall oil," has been completed. This oil contains resin and fatty acids. The new process gives tall oil quick-drying properties, which makes it—like tung oil—much in demand for paint. About 120,000 tons of this oil have been wasted every year.

For a steel company, the Institute has worked on a process for preparing a distillate from coal tar, which serves as an intermediate for making plastics. A pilot plant has been set up to develop production techniques.

SRI scientists have invented a folding bed, designed new marine cargo-handling equipment, studied the problems of toothpaste aging, and improved the electroplating of metal furniture. They have designed, constructed and field-tested a device for weighing and measuring powdered coal on gas-turbine locomotives.

The Institute constantly is on call to serve government agencies. One of its first projects was performed for the Navy. The Committee on Medical Research was eager to have an improved ointment for severe burns. SRI's organic division developed several dry powder formulations, based on mixtures of methyl cellulose and phosphoric acid. Mixed with water, they are ready for instant use. In controlled experiments, the effectiveness of these ointments was proved. In war or peace, medical science will have the advantage of this treatment.

The Atomic Energy Commission is sponsoring a project to determine how best to protect the health of workers dealing with radioactive materials. The Institute also is actively aiding the cancer research program by studies intended to develop specifics for leukemia, or cancer of the blood.

Not all projects are paid for by private sponsors. Various public service activities are underwritten from the organization's funds. One of the most important is a house-building project for farmers of small income. Instructors from Tuskegee Institute joined SRI engineers to work out inexpensive forms for molding concrete blocks. Using sand and gravel from local stream beds, they demonstrated how farmers can build small, modern homes at minimum expense.

Hundreds of people visit the SRI laboratories every year. Often a visitor who says, "I'm just looking around," returns with a project.

"The tie that binds this organization is belief in the industrial future of the South," says Tom Martin. "For us, that's the same as belief in the future of America."

## Lobsters Anywhere, Anytime

"CLEVELAND calling, Mr. Myers." Ed Myers picked up the telephone in Damariscotta, Me. The president of the Cleveland Better Business Bureau was on the other end, hopping mad.

He had some friends due at his home in two hours for a lobster dinner but no lobsters. Myers placated the ruffled BBB official, started checking.

The lobsters were in Cleveland, all right, but at the wrong express station. He called back his irate customer, told him where he could pick up his lobsters.

The big attraction in Myers' unusual business is that you can order live lobsters for delivery on a certain day in any one of about 40 states, and be reasonably certain they'll get there. Less than one per cent of his shipments have gone astray.

In his 30's, Myers tired of listening to academic discussions of free enterprise while a member of the Princeton University staff. He wanted to go out and see if free enterprise still existed.

He gave up his job in March,

1949, and went to Maine. Four months later he had his own business—in a field which he pioneered.

Shipping live lobsters by rail and air is nothing new. But until Myers came along nobody would ship lobsters to individuals, and guarantee a specified delivery date.

Myers' business has grown consistently since it began. The prime factor behind the growth, he avers, is the personal attention each customer gets.

Take the Cincinnati doctor who last winter got his lobsters two days later than promised. He sat down and wrote Myers a sharp letter, criticizing his failure to keep the guarantee and protesting the extra express charges he had to pay.

Myers promptly wrote out a check for the price of the order plus express charges and sent it to the doctor. With it went an explanation that floods along the train route had delayed the shipment.

The check came back by return mail, accompanied by an apology and another order.

—VICTOR A. SCHLICH





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*"They fixing something?"*

*"What's that thing for?"*

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Because Western Electric is a unit of the Bell System, our people who *make* telephone equipment work shoulder-to-shoulder with Bell Laboratories people who *design* it and Bell telephone people who *operate* it. Together we strive to make your service the best on earth—at the lowest possible cost.

**Western Electric**



A UNIT OF THE BELL SYSTEM SINCE 1882



## Forgotten Frontier in the Northwest

(Continued from page 34)

mapped out and prospected is only a fraction of the whole. "What is known, however," says a report of the North Pacific Planning Project directed by Camsell, "is that the region contains large areas in which the geological conditions are as favorable as those in other areas on the continent that have produced large quantities of mineral wealth."

**E**VERY year more gold is brought out of the Northwest—all by air—than the Spanish conquistadors took home from Peru in 20 years. One mine at Yellowknife on the Great Slave Lake, 700 miles from the end of steel, had produced nearly \$20,000,000 of gold ore since 1938, although operations were slowed during the war. Today, Yellowknife is a booming mine town of nearly 4,000 people, all of whom have to do their shopping at Edmonton. (It's three hours away—by air.) There are scores of other existing gold mines in the North which are idle because freight rates by air make it too expensive to operate them.

There's radium and uranium, too. Port Radium, just south of the Arctic Circle, is the western hemisphere's greatest domestic source of this raw material for atomic energy. A few years after its discovery, it had produced enough radium to break the world monopoly price from \$75,000 to \$25,000 a gram.

Mercury, copper, silver, tungsten, coal, lead and zinc have been found throughout the area in

quantities that would have started scores of industries if they'd been commercially reachable.

Not long ago, I was driving from Whitehorse in the Yukon to Port Haines in the Alaska Panhandle. When we reached the Height of Land, which divides the bleak hinterland of this part of the Yukon from the lush coniferous forests of the coastal region, we stopped at a rest hut—one of several that have been built for emergencies along this lonely cutoff of the Alaska Highway. Two prospectors working for an American copper company were stopping at the hut.

"Lots of copper here," one said. "That hill over there," pointing to one about two miles away, "is almost solid copper. But it'll be years before anybody gets round to doing something about it."

He said it matter-of-factly. This was no bonanza to him, for there is scarcely a prospector in the Northwest who has not come across a lode of minerals which is valueless because it is "inaccessible."

**W**ORLD WAR II gave the Northwest the greatest shove forward in development it has known since the days of the gold rush. The Alaska Highway, thrusting through the brush for 1,500 miles to link British Columbia with Fairbanks, has carried small amounts of commercial freight traffic since the end of the war and is carrying increasing numbers of tourists every summer. Without railroads, the Northwest can remain only as a huge undeveloped area, populated and industrialized only in the south.

Meanwhile, the United States has been dismantling the facilities we built during the war. A huge gasoline refinery, erected at Whitehorse as part of the Norman oil fields development, had so little use it was dismantled two years ago and removed to the Edmonton oil fields.

Oil, however, is one of the factors that are changing the future of the Northwest. The Athabaska tar sands in the north of Alberta contain one of the world's greatest reserves—about 200,000,000,000 barrels—according to U. S. estimates. The area will be developed as soon as some way can be found to extract the oil from the sands at commercial prices.

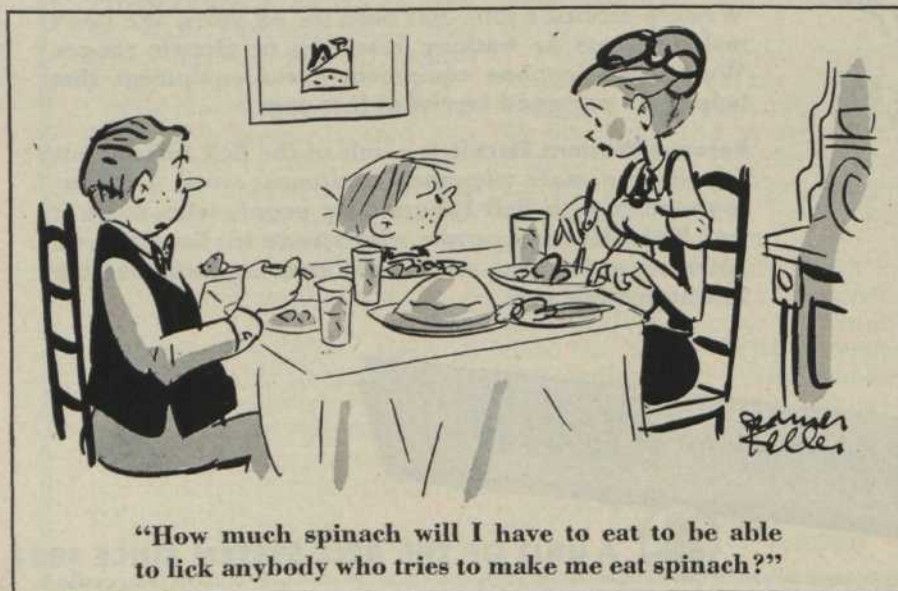
**W**ITHIN the past three years, oil also has been found around Edmonton. More than \$100,000 in petroleum, gas and coal are taken every day from the earth. Under the city is a coal mine, just one of many which make this area one of the greatest remaining sources of coal in the world. New industries have added \$12,000,000 annually to the city payrolls. And the 1950 housing, industrial and commercial program will exceed \$70,000,000, 40 times more than 11 years ago.

Every major American oil company, and most of the independents, are involved in the Albertan development, and the accents of Texas, Oklahoma and California intermingle with the broad western Canadian speech in Calgary and Edmonton. Exploration is ranging over an area bigger than the states of Texas, Oklahoma, Colorado, Kansas and California combined—extending west and north into territory where only fur trappers went a few years ago.

Alberta's oil output has approximately doubled every year since 1947. The latest field, Redwater, produced 4,793,000 barrels in 1949 compared with 1948's total of 36,875. A new field, Normandville, still further to the northwest of Edmonton, is being brought into production.

Estimates indicate these fields will make Canada self-sufficient in oil needs within the next three or four years and could make Alberta a tax-free province within another five years. But such statements hardly conceal the fact that the Northwest can progress only as a unit.

For, if Canada becomes self-sufficient in oil, or even an exporter of oil, it will only be by exporting her surplus from Alberta into the northwestern states and importing



"How much spinach will I have to eat to be able to lick anybody who tries to make me eat spinach?"



petroleum from the United States in the east. A gap of 2,000 miles separates eastern Canada from the Alberta fields, and though a pipeline is being built between Edmonton and the lake head at Superior, Wis., it will be able to carry only a portion of Alberta's potential output.

**A** SIMILAR situation is developing with the natural gas reserves of the Canadian west. So far, seven trillion cubic feet of natural gas reserves have been proven in Alberta, and these estimates have to be revised upwards nearly every time a new well is brought into production. (On the average, this means about twice a week.) And again, the question arises of what to do with it.

"There are several possibilities," a Calgary business man told me. "Right here in Alberta, we have more than enough coal for our own needs—about 60,000,000,000 tons of it. We have all the natural gas and all the chemicals that are needed for large-scale chemical industries. But we're too far from existing markets, and internal freight rates penalize our industries.

"There's the possibility of sending the gas over the frontier to our neighbors in Washington, Oregon, Montana and Idaho. Actually, plans for three natural gas pipelines have been drawn up, but they're being filibustered by Pacific coastal interests, which want the lines to go over the Rockies to them first and then into Seattle, with Vancouver being an intermediary point instead of the terminal.

"The real trouble, of course, is that there's a frontier between us and the United States. Not that either we or our friends over the border want the frontier abolished, and it would be impractical even to suggest it.

"But the fundamental fact is that the Northwest of this continent is one geographic and economic unit. The oil and mineral reserves below ground do not stop at frontiers, nor do the rivers and forests. If we can just think of the Northwest in these two terms, we'll see a boom just as big and a lot faster than anything the rest of the continent has known."

Certainly, according to studies made by a joint Canadian-American committee for development of the Northwest, the natural gas could be piped across the border to supply the domestic, commercial and industrial needs of Washington, Idaho and Oregon, where there are concentrated three times the population of Alberta and Brit-

ish Columbia. Already there is a large international trade in energy across the border, most of it moving northward in the form of coal and related fuels, to the total of about \$280,000,000 a year. Canadian supplies of natural gas would reduce this balance by about \$20,000,000 a year.

But, it's agreed, this would be only a beginning. Some day other gas and oil pipelines will reach into the prairie states, strengthening still more the economic interdependence of the Northwest.

As long ago as 1942, the need for joint planning on the Northwest was known to the American and Canadian Governments. Their joint economic committees agreed to sponsor a study known as the "North Pacific Planning Project," under which the territory to be studied was divided. But, before the end of the war, the economic committees were dissolved and the joint work stopped. Canada decided to pursue research on the Canadian Northwest, but this was obviously handicapped because it was only a part of the whole.

"The best way to get population into a territory," a pundit once said, "is to build a railroad between two places that don't exist." In many ways, this is the problem of our Northwest. Legislation approved by Congress now authorizes the President to negotiate with Canada for a location survey of a standard-gauge railroad running north into Alaska from existing railheads. Such a railroad could open the way for the largest migration of settlers the continent has known this century.

**WHAT** it is that lures men into the North, no one has succeeded in defining. But, as Camsell says, there is such a lure. "Explain it how you will," he says, "men—and also women—who have once tasted the life of the North never seem to be fully satisfied elsewhere. There is something inherent in the human heart and soul which responds to the appeal of the wilderness and which no other appeal can satisfy."

About this there is no doubt. There are many people in the North to whom "outside" means not New York or Toronto or even Edmonton and Seattle, but places such as Whitehorse or Dawson in the Yukon.

What they have is not only a liking for the solitudes but also a calm, undisturbed belief that some day their north country will be to the rest of North America what the West was a century ago.



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## Broadway's Miracle Man

(Continued from page 45)

The friend produced a job—in children's underwear, at \$50 a week. It seemed a princely sum to Rodgers and he decided to accept. At the same time something told him to wait. That night he discovered why. As he sat home mulling his future, the phone rang. A theatrical friend told him the Theatre Guild was planning a semi-amateur revue for which Rodgers and Hart could write songs. Rodgers put the underwear business out of his mind forever.

The Guild show did not remain amateur long. As the Garrick Gaieties, it opened in May, 1925, and was hailed as the brightest spot of a bright season. Rodgers melodies, set to Hart lyrics, chiefly were responsible for this approval and from then on Rodgers-Hart musicals—*Girl Friend*, *Connecticut Yankee*, *Babes in Arms*, etc.—were tops on Broadway.

Both collaborators fretted at the boy-meets-loses-wins-girl formula of contemporary musical comedy and gradually shaped their shows so that songs became an integral part of the plot. But not until *On Your Toes*, in 1936, were they able to write a show in which the songs actually advanced the plot. After that they became musical dramatists more than song writers (and Rodgers and Hammerstein have become more so). A few years later, in *Pal Joey*, the two violated musical comedy tradition even more. Their hero, played by Gene Kelly, was a heel.

In the early 1940's it became apparent that the tempestuous Hart was seriously ill. Rodgers for the first time had to consider adapting himself to another collaborator. Again the Theatre Guild stepped in. Suggesting that he write the music for *Oklahoma*, the Guild also suggested Hammerstein as collaborator.

Twice during the years with Hart, Rodgers, the lightning composer, sought an outlet for his excess energies in producing plays. It didn't work. Now Mrs. Rodgers handed her husband the book "*Mama's Bank Account*," by Kathryn Forbes. "This would make a good play," she told him.

Reading it, Rodgers felt stirrings of old dreams. With *Oklahoma* a

rousing success, he found Hammerstein interested in producing and the two commissioned John van Druten to dramatize the Forbes book. *I Remember Mama* became the first Rodgers-Hammerstein hit. It was followed quickly by *Annie Get Your Gun* (music by Irving Berlin), *Happy Birthday* (with Helen Hayes) and *John Loves Mary*.

While this flurry of production was going on, Rodgers and Hammerstein also wrote two shows—*Carousel* and *Allegro*—for the Theatre Guild. *Allegro* was unique. It was the only time the partners worked on an idea of their own. Usually they prefer to pick the work of another author, and un-



expectedly make him a rich person.

After seven years Lynn Riggs (who wrote "*Green Grow the Lilacs*," from which *Oklahoma* was adapted) still gets a weekly royalty check from touring companies. As a book "*Mama's Bank Account*" had a respectable sale, but its author hit the jackpot with the play. The same is true of the current Rodgers-Hammerstein production, *The Happy Time*, which has been a financial break to two authors—Robert Fontaine, who wrote the book, and Samuel Taylor, who made the adaptation.

But the most fortunate of all authors tapped by Rodgers and Hammerstein is James Michener. His book, "*Tales of the South Pacific*," was brought to Rodgers by director Joshua Logan. "There's a story in here called *Fo'Dolla*," he

said. "It might make a good musical."

"I read *Fo'Dolla* and liked it," Rodgers recalls. "I read the whole book and liked it more." He passed it along to Hammerstein who also liked it and the partners began making it into a musical play—a process which has been compared to designing and constructing a skyscraper.

From the play which resulted after 18 months of effort, Michener receives one per cent as coauthor (other authors: Rodgers 3½ per cent, Hammerstein 3½ per cent, Logan 2½ per cent). This means Michener has received \$500 a week for the past year and now gets \$500 more from the company which is breaking all records on the road. In addition, he owns part of *South Pacific*. When the show went into rehearsal, he was offered a chance to invest. As editor of a book publishing house, Michener

couldn't afford it. Rodgers and Hammerstein advanced him \$10,000. After the show opened, Michener quit his job.

Along Broadway few wonder that a man like Rodgers happily produces play after play, while taxes take most of his profits.

"He's stage struck," they tell you. "Was that way as a kid and gets more so every day. Thinks he's lucky to be working in the theater. Loves every phase of it."

Rodgers' love of the theater is not a subjective one. He wants it to be a better place for everyone concerned, and to this end serves on nearly every committee connected with the theater.

In numerous ways besides the artistic—and their superior shows have been a shot in the arm to Broadway and, especially, the road—Rodgers and Hammerstein have been a breath of fresh, clear air in the business. For one thing, in a profession where callousness has become practically a trademark, they have pursued an exceptional policy.

"Rodgers and Hammerstein have the most courteous-to-actors office in New York," Walter Winchell reported recently. A rival producer compliments them this way. "It's incredible," he says. "When they say they'll call back, they do."

When the average producer finds a hit on his hands, he usually turns it over to subordinates while he goes on to other things, like Paris or Palm Beach. Not so with Rodgers and Hammerstein. When one of



their shows opens, Hammerstein sometimes takes a vacation. Rodgers never does. He continues his daily round of checking production standards, actor performances and box-office courtesies.

Rodgers loves to discover talent and, unlike most producers, believes there is plenty around. His record as a talent-discoverer seems to bear this out. In the course of listening to innumerable auditions he has found Gene Kelly, June Allyson, Celeste Holm, Vera-Allen, Mary Hatcher and others.

WHEN not in a theater Rodgers is in his office, where he attends to business details brought him by a six-man staff which is exceptionally devoted to its employers. Reason is that as a preopening bonus each was presented with one half of one per cent of South Pacific—and later of The Happy Time.

Once a day Rodgers meets with Hammerstein, perhaps for lunch, at the office or in the apartment of either. When blueprinting one of their own shows—they are now blueprinting a musical version of the book "Anna and the King of Siam," in which Gertrude Lawrence will star—the two remain closeted for days at a time. Rodgers, who is quick and volatile, paces the floor, stopping only to sit briefly on the chairs in the room. "Dick is a great chair tester," Hammerstein says. Hammerstein, who is six-four, remains calmly in one.

Rodgers is a home-loving Broadwayite. He first saw his wife when she was a few weeks old and he was a boy of seven accompanying his doctor father on his rounds. Twenty years later they were married. Now they have two daughters.

Rodgers' homes are on Park Avenue in New York, where he maintains a duplex apartment in rather formal style, and a country home in Fairfield, Conn., where a hen-house and barn provide suitable background for a rambling house.

Only the theater will lure Rodgers away from home and fireside. With Mrs. Rodgers, who loves the theater as much as he does, he sees nearly every show presented on Broadway.

Even when a show is bad Rodgers appears to enjoy it, and on such a night the phrase which better than any other exposes the wellsprings in Rodgers was uttered.

Letting his eyes roam over the bored faces in the audience at a poor play, a friend suddenly saw one rapt, beaming countenance.

"Look at Dick," he whispered to his wife. "For him, just being in a theater is enough."

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## Paying Guests on a Freighter

(Continued from page 36)

freighter. It could have happened to any ship. But repairs would take most of the night, and the *Kathryn* would not, on this trip, steam haughtily past the *Puerto Rico*. Captain Durham and the engine room crew worked until dawn. The recalcitrant pump was fixed. The tugs came back and at 11 a.m. we got under way. Captain Durham went to bed as soon as the pilot had gone over the side and, by mutual consent, the passengers refrained from commenting on the trouble.

All of the passengers chose to remain on board the extra night in port. For one thing, it would have been hard to find so comfortable a room at a hotel. For another, they had already discovered the delights of the ship's galley. The dinner served that first evening would have cost each of us more than \$4 in any good restaurant. It consisted of soup, a succulent filet mignon, potatoes, vegetable, green salad, ice cream and coffee. This standard was maintained throughout the voyage.

LOUIS, the senior steward, though of German extraction himself, made a specialty of Puerto Rican and Spanish dishes such as Asopao de camarones (shrimps with rice and sauce), Arroz con pollo (rice with chicken) and Caldo gallego—the latter a soup of veal, sausage, beans and cabbage which was a meal in itself. A major problem on today's modern freighter is to keep from gaining ten pounds per voyage. Louis kept hovering over us to make sure that we ate enough. If we wearied of American and Latin fare, he could, he announced, turn out a very good sauerbraten on request.

The crew, it should be noted, eat the same food as the officers and passengers, which may account in part for the high morale aboard the *Kathryn*. Another reason for it is the informality of life on a freighter. Occasionally a naval reserve officer appeared in a cap, but uniforms were taboo even on sailing or on arriving in port. There was a refreshing absence of spit and polish. Officers and crew members laughed and joked together. Not too much work had to be done once the cargo was stowed, of course. But during the brief trip the men gave booms and winches a fresh coat of paint. Like Walt Disney's dwarfs they whistled while they worked. It was a mixed

crew: white and Negro mainlanders and Puerto Ricans.

The most vital factor in the profitable operation of a freighter is, obviously, to get a cargo. And the most important thing about the cargo is its proper loading. A general cargo like the *Kathryn's* is made up of thousands of items, infinite in their variety. The majority of them are boxed, crated or in bags. Automobiles and trucks are loaded into the ship's vast holds just as they are. It is an astonishing sight to see a ten-ton truck being swung through the air and lowered into the cavern below, but the booms are stout enough to lift a locomotive. The job is done according to detailed plans. The cargo must be loaded so as not to shift, no matter how much the ship is battered by storms. A ship must also be trim and properly balanced



in the water from bow to stern and from port to starboard.

Our ship was well down in the water as she headed for the open sea and the 1,400 mile run to San Juan. It was bitterly cold the first day and most of the second, and few passengers ventured on deck. Life settled down to the routine of

any cargo ship. You can do pretty much as you please on a freighter. There are only two set rules: that passengers must be on time for meals, and that staterooms must be vacated before too late in the morning so that one of the two stewards can clean up. We found, however, that a little cajolery brought us our breakfasts in bed.

The 11 passengers included three Puerto Rican merchants, a business man and his wife, the pretty young wife of an author who was finishing a novel in San Juan and the inevitable problem passenger. Like our Mrs. X of the Scotch-and-soda breakfast, she must remain anonymous. She was a Puerto Rican lady of means who had been visiting friends in New York.

Toward the afternoon of the second day, the *Kathryn* began to steam through the long, slow swells caused by the trade winds. Nobody could have called the weather rough, but the roll was perceptible. Our problem passenger concluded that the ship was going to capsize and inquired repeatedly of Captain Durham if he thought this probable.

"I wouldn't have left the dock if I'd thought we'd tip over," he kept reassuring her, without much effect.

On the morning of the third day a brisk tail wind made the ship pitch a little, which added to our friend's alarm. She sat rigidly in her cabin for most of the voyage, declining to go on deck or to eat. She perked up only when the ship docked safely in San Juan and was met by her family and friends.

PEOPLE who do not enjoy the sea are better off flying or taking the fastest passenger ship available. So are people who cannot pass the time reading, watching the operation of the freighter or talking with the ship's company. On some of the new cargo vessels a lounge is provided on the top deck, with a radio and facilities for checkers and card games. But there is no library on board, except a small one for the crew. He who goes down to the sea on a freighter is well advised to take plenty of reading matter as well as enough liquid refreshment so that, if inclined, he can hold up his end at the pre-dinner cocktail parties in the cabins which soon become standard.

The passenger on a freighter must like people, if he is going to enjoy himself. For he will find himself in a tiny world indeed.



A little news of the world outside may be caught on the radio. But the conversation will be about ships. It will turn on the day's run, the barrels of oil consumed, the problems of the captain and his officers and of the company which owns the vessel. It may touch on the gossip of the ship's ports of call. Quite a lot of the talk will be about the wives and children at home, seen only briefly at fortnight intervals.

Such was the talk on the *Kathryn*, good talk if you like it. Ours was a fairly eventful voyage. A freighter rarely sees another vessel—or anything else. But one afternoon the roar of a plane was heard, and a Navy fighter crossed our bow. The plane was bound for a carrier taking part in the combined maneuvers which were being staged off the Puerto Rican mainland. A few moments later Captain Durham knocked on our cabin door to tell us that the fleet had been picked up on the radar screen. Did we care to come up to the bridge and take a look? The ships were clearly visible, tiny flicks on the screen. The captain explained the operation of the radar, as simply as he could to non-technicians. With its mysterious aid he could make port through any fog.

**O**UR visit to the bridge was followed by a tour of the engine room. Such is life on a freighter. The nautical miles slip past, but time stands still. The gulls soar and dive for incredible distances at sea and then vanish, doubtless to follow another vessel back to port. The freighter passenger must not be in a hurry. The ship's speed is fast enough, comparable to that of many lady liners. But the cargo is the thing. When the freighter reaches port it may take four or five days, or even more, to unload and load again.

There are compensations: the fares, for instance, if we must be mundane about it. Passage on the *Kathryn* cost \$100 each, as compared with a \$145 minimum on the dressy *Puerto Rico*. And almost every port in the United States offers freighter service to somewhere.

The freighter passenger sees the world at his leisure. The freighter has work to do which will consume days, not hours. The passengers can take their time. They can really learn something about the ports of call. They will return as seasoned travelers, not mere excursionists. Go on a freighter and see the world.

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## Seed Beds of Socialism

(Continued from page 31)

The book is the guide and instructor for willing crusaders.

SSA is a striking example of how executive branches of the Government technically obey the laws forbidding them to lobby for legislation. They properly should provide information to the public, but the dividing line becomes vague when this is propaganda for a favored political cause. With a staff of several hundred working on government time and some \$2,000,000 in government funds at his disposal, Falk is well equipped to provide the ammunition for unlimited public campaigning for state medical care by supporters not in the Government.

This is conducted chiefly by two organizations—the Committee for the Nation's Health in Washington and the Physicians Forum with headquarters in New York City. Eighteen sponsors of the first organization have been listed with organizations designated as subversive. Dr. Ernst P. Boas, head of the second, is listed as participating in 20 such organizations, named by the Attorney General and committees.

While its Office of Education and its health program condition the coming generation and gild the hoped-for socialist state with advice and some cash, four fifths of the agency's budget goes for social security. Of the latter, \$1,200,000,000 is a subsidy, matched by the states, for public assistance to the aged, the blind and children.

Security for the years when earning power is gone through age or misfortune is a universal hope, and the American people of all groups support the principles of the social security program.

Objections begin at the point where the program is used as an appeal to a majority of the population for continued political support and to win public favor for a socialized state. In its advisory manual, "Common Human Needs," for training state personnel in distributing this assistance, SSA makes clear that a socialized state is the desired goal. It says:

"Social security and public assistance are a basic essential for attainment of the socialized state envisioned in democratic ideology, a way of life which so far has been realized only in slight measure."

The manual advises state employees to discard the antiquated

idea that security depends entirely on an individual's diligence and thrift and "to think and feel in terms of the applicant's needs and be less protective of the taxpayer."

Employee and employer pay a nominal premium for the Old-age and Survivors Insurance, for which the former is eligible at the age of 65. From the time of the first job until retirement, if in OASI-covered employment, a worker has an SSA number. The accounting office in Baltimore has 80,000,000 names on its numbered cards. It already is paying benefits to around one fourth of the 8,000,000 retired aged of both sexes in the country and to the same proportion of 3,200,000 orphans and widows.

The cost of a particular project of many-sided FSA is less important than whether the varied programs dovetail neatly to destroy democracy. Individuals and groups, of which the American Medical Association opposing state medical care is the most vigorous, have opposed particular programs. Among the lone battlers, Mrs. Marjorie Shearon of Chevy Chase, Md., is conspicuous. A former FSA bureau chief, she appears before committees, speaks around the country against state medicine and communism and publishes an information bulletin, *Challenge to Socialism*.

Opponents of FSA's pet projects do not escape unscathed. AMA is accused of raising \$4,500,000 for propaganda and lobbying. To that, Mrs. Shearon replies that FSA has spent \$20,000,000 of taxpayers' money, including the time of hundreds of government employees, in preparing propaganda.

Congressmen and others who oppose FSA's programs are denounced in the familiar communist terms as "enemies of the workers and minions of the capitalists," and any questions as to the agency's policies or programs are branded quickly as efforts to rob the children, the blind, the poor, the old. In these attacks venom replaces veracity.

The American people have demonstrated that they recognize assistance to the deserving as a civic obligation. But few want the program to ripen into a campaign to make America over. They do not want the dollars willingly given to provide security for the unfortunate to fertilize a seed bed for socialism.



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Up to the present many forms of large-coverage insurance protection have not been available through American insurers. Those who needed such facilities had to seek them abroad. Thus, foreign non-admitted reinsurers (who pay no taxes on their writings in this field) are freely offering this service. It appears proper that American Underwriters (who do meet their share of the tax burden) should recognize the trend and wishes of the American industry.

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# Who Wants to Be an Ump?

(Continued from page 50)

could have them fired at will, their estate was a low one until Ban Johnson founded the American League in 1900. He gave his officials absolute authority and backed them on everything. He standardized their uniforms, added a base umpire to help the man behind the plate and would not tolerate violence on the field or intimidation by club owners. The bums were culled out and younger, more alert men appeared. The result was that the games speeded up and fans liked the smooth way they were handled. The National League soon was forced to follow suit.

However dignified and honest the profession is today, the question still arises, "Who wants to be an umpire?" Certainly, no school-boy burns with ambition. No umpire's picture hangs on his wall.

Scotty Robb, who exemplifies the career man, speaks for the average ump in explaining why he likes his profession. He is, in the first place, an incurable fan at heart. Like all successful umps he has such an intense love for the game that he'd rather be in it in any capacity than working at anything else. He'd rather be a bat boy than the owner of a bat factory.

Scotty was a fair sand lotter in his youth but never good enough for organized ball. He became a printer, reluctantly. The game was so much in his blood that he tried to get a job setting type on *The Sporting News*, baseball's trade paper, even though it meant moving his family to St. Louis where the paper is published. Failing in this he stayed in the game by umpiring semipro games on his afternoons off.

A few years of this and then in 1936 came the big step when he emptied the family till so he could pay for his tuition at George Barr's umpire school, then in its first year at Hot Springs, Ark. He already had the fundamentals—knowledge of the rules, alertness, good eyesight and size. Small umps, who look even smaller arguing with six-foot ballplayers, are not in demand. Bill Stewart of the National League, who stands only five feet, six inches, is exceptional. Barr got Robb a job in the Colliery League

of Nova Scotia, a rugged coal mining town circuit.

For the next ten years, with time out for a hitch in the Navy, Scotty knocked around the minors. It was a hard life. The pay—about \$200 a month—meant third-rate hotels, greasy spoon restaurants and traveling by bus. Pop bottles fell on the field like hailstones. But higher league scouts were watching him. They liked his technique and knew that his private life was beyond reproach. He was marked as a career man, one to whom umpiring was not just a seasonal job but a lifetime profession.

Scotty worked up through the minors and in 1947 his contract was bought by the National League. Umps are scouted, bought and sold like ballplayers. The job was umpire heaven after what he'd been through. Here, three men



"I don't suppose you'll understand me, but did you see anything of a little white ball around here?"

handled the games and the plate assignment came only every third day, the umps rotating clockwise around the diamond with every game. The faultless big league play meant accurate throwing, heady base running and clean ball handling, making it easier to anticipate and call the plays.

Having started at the minimum major league salary of \$5,000, Scotty gets an annual hoist of \$500 until he reaches the maximum of \$14,000. His traveling expenses are paid and a pension system allows him up to \$2,500 a year on retirement. Every four or five years, as

his turn comes up, he can expect a World Series assignment which pays an additional \$2,500.

"I consider myself lucky," says Scotty in discussing his job. "I'm in the top brackets of a sport I'm nuts about. I go south every winter and travel all over the country. For a guy who never finished grammar school that's not bad. For me the pay is good and I'm building up security. I work only six months and the rest of the year I can loaf if I want to. How many guys with my education do as well?"

All is not roses, however, as Scotty readily admits. There are the chronic kickers, about ten in the league, who make his life less than perfect. They are the alibi artists, the .250 hitters who are just hanging on.

"The topnotchers never beef," Scotty says. "Take Musial. If the ball bounced on the way to the plate and I called a strike on him he wouldn't say a word. He wouldn't even look around." Scotty does not mind aggressive players like Eddie Stanky, who battles for every point. "Stanky is tough, but fair. It's the alibi guys we can't stand. They know they're wrong but they put on a show for the stands. And they think it puts us on the alert and we'll favor them on the next close one. It works just the other way. The kicker always gets the worst of everything questionable. You try your best to be fair, of course. But on some of those yes-or-no decisions that can be called either way, who's going to get the benefit? Not the kicker. If you gave the squawkers the edge then the easy-going guys would beef and you'd lose control of the game."

The hardest play to call is the steal home. On this one the plate umpire has to judge instantly a number of actions: possible interference by the catcher or batter, whether the pitch is a ball or strike and whether the runner is safe or out.

One time in a game Scotty was working there were two out with the count two and two on the batter. Suddenly the runner on third dashed for home and slid into the plate as the pitch got there. In a tangle of arms, legs and dust Scotty was on the play and unthinkingly made the "safe" signal. Immediately he was rushed by a swarm of angry players. Then Scotty got his breath. "What are we arguing about?" he shouted.



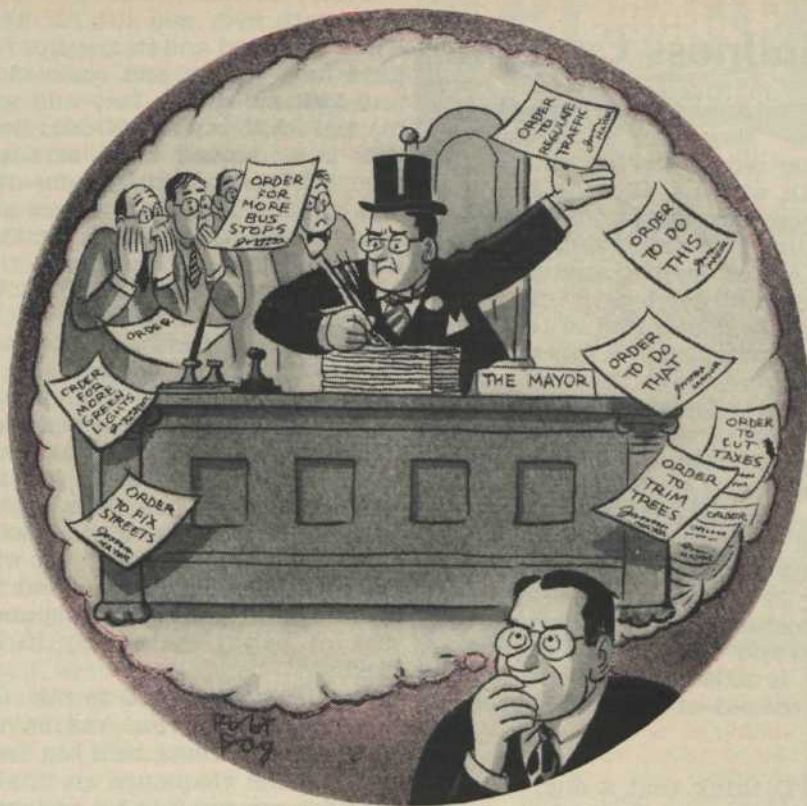
"That was the third strike. The batter's out. Three out. The inning's over."

There is probably no business or profession where a man's character and ability are more carefully appraised. An umpire is scrutinized by scouts from the moment he puts on his first uniform. The system is accepted as fair by aspiring umps who know that they will progress on merit alone, not on favoritism or politics as in the old days. Baseball can afford to be so selective for there are only 27 umpires in the majors with hundreds of hopefuls to fill the two vacancies that occur on an average of once a year. A man who makes the big leagues must have poise, decisiveness and hustle. He must be firm but not belligerent and must be able to think ahead like a good ballplayer.

It is no sixth sense that tells an ump where the next play is going to happen. It is knowledge of players and thinking ahead. Scotty knows, for instance, that when speedsters like Sam Jethroe or Richie Ashburn hit safely he must figure on the play being made a base ahead of the ordinary runner. He knows the accuracy and power of every arm in the league and the probability of the throw beating the runner to the bag, depending on who is throwing and who is running. Behind the plate making some 300 calls a game he's extra alert for a tough session when a low-ball pitcher like Sheldon Jones is on the mound.

Scotty makes no more bad calls than the next ump—three or four a game behind the plate, rarely any on the bases. He does have his embarrassing moments, however, as all umps do. The worst one happened when he was working the bases one time and a runner was caught between first and second. The plate ump, shedding his mask, rushed down to the coach's box behind first to give Scotty a hand in the run-down. Back and forth went the runner and then suddenly he took a dive for first. "Out!" bellowed the plate umpire with hand aloft. "Safe!" roared Scotty at the same instant, his arms outstretched. The two umps were a yard apart. You can imagine how the crowd liked that one. Scotty yielded to his helper but after the game the two went at each other in the dressing room. It's too bad their words aren't preserved on wax for ballplayers and fans to enjoy forever. "What's the matter?" they howled at each other. "Are you blind?"

Umpires are human, after all.



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**CHAMBER OF COMMERCE OF THE UNITED STATES  
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# Kindness Can Kill

(Continued from page 48)

family. Now and then the old pointer would stretch on lawn or hearth with us, and the kids had their springer but Keith was strictly kennel. He didn't mind because he'd never known anything else but that winter I gave him something else. I had him in the study while I pounded this typewriter.

The study is in the edge of the woods between house and dog run. I'd made it routine to let Keith range a few minutes each morning before going in to start my daily stint, keeping him from making a break by close watching and repeated warnings. This study is a snug little one-room affair, kept comfortable in winter by a wood stove and filled with the sort of junk a writer who deals mostly with the out-of-doors will accumulate.

**YOU'D** think that a dog, in such a place for the first time, would have a lot of exploring to do. Not Keith. Just being indoors with a human was such an experience that it seemed to transcend any interest he might have had in the surroundings. That first day he didn't lie down for over an hour. Just stood or sat as if wanting to be ready for the next cockeyed thing that might be going to happen and kept watching me with a look in his eyes that was incredulity and nothing else. Finally he curled up by the stove but didn't put his head down.

In a few days he began sniffing at things and, after making the rounds, would lie down and sleep. In a few more, he'd cut his run short and go to the study and wait for me to join him. In still a few more, when I'd get to a stopping point and lean back in my chair he'd open one eye. It wasn't long after that, when he knew I was noticing him at such times, that his tail would give a couple of thumps. I felt like you will after you've made a whale of a shot!

Up to then I'd made it a point to pay him no particular attention, but now I commenced to move him. After he'd got comfortable I'd get him to his feet and make him lie in another spot and when he did I'd tell him he was a good dog and give him a pat. After the day's shift was over and I kenneled him again I'd stroke his head. About the third afternoon he waited for that touch. New worlds were opening for that setter!

Before I was aware of it he'd open both eyes and lift his head when I relaxed and in another few days he'd get up and come close and look me in the face and wag his tail as if saying, "Gosh, Boss, this is a danged good arrangement!" When he finally came over and put his chin on my knee and held it there as long as I'd scratch his ears I figured I had him!

And in a way, I did have him. On winter walks he'd keep his eye on me almost constantly. He'd stay at heel without the impatience he used to show. When I'd tell him to go on and Whoa him immediately he'd keep almost under foot and after he'd stuck there a lengthy interval we'd sit down for a little session of telling each other what a hell of a pair of guys we were with his tail going great guns and his breath fast with good feeling and a look of happy incredulity in his eyes.

But he still wanted to run. Oh, how he wanted to run! And, having gotten to be chums, he'd beg for it with all the eloquence an intelligent dog can put into his actions—diving at me and starting off looking over his shoulder and panting and wiggling but all I had to do was



shake my head or whisper a No and he'd abandon the argument.

He was my dog, all right, to do with what I would but I had to keep him constantly reminded of what that was. When hunting, his instinct was to push on and he'd lose himself repeatedly in the job and tend to go too fast or too far. All it took to check him was a word but I had to keep giving that word.

A dozen times a day he'd stop short in covering ground and look back at me with stiff ears as if wondering all of a sudden if *this* might not be the time and place when I'd let him go. And his morning runs at home always ended in a plea for just one chance to stretch his legs. He'd take a routine bolt across the lawn and around the

house and up through the garden to the edge of the woods. There he'd stop and look back, ears up, tail thrashing, as if saying:

"Just this once, Boss? Just a half hour of it in this cover, Boss? Just one big bust of a swing to see how fast I can find out what's yonder, Boss?"

But I never gave him the word. Not until that last morning. . . .

**T**HE old pointer had long since gone to the Happy Hunting Ground. New pups had come and some had gone and Keith's hunting days were numbered, for sure. He was 12 years old that fall. The only sign of age was that bluish cast to his eyes and he was still an all-day dog but that wasn't going to last, I knew, so I'd hunted the youngsters mostly. He always begged to go and when I left him behind I tried to compensate for it by giving him the run of the house for the day. He certainly liked that.

That last morning I let Keith and the two pups out and stood there in the sharp November chill waiting for the young fellows to have their stretch. Keith had made his circuit of the house and stood at the top of the garden. He had a front foot up, that time, and his ears were stiff with entreaty. He licked his chops when he saw me looking and ducked his head and sneezed, begging his best.

Why not? I asked myself. There's still one thing he wants to do above all else. Why not let him? He's about washed up as a working dog, anyhow. Be a good feller, I said to myself, and let him stretch.

So. . . "All right!" I called. "Hi on!" I called and waved. He stiffened, as if not believing his ears and eyes. His tail stopped and then went on again frantically but still he stood there. So I whistled through my fingers, a long, shrill blast, the old command to go out.

He went out all right. Holy smoke, how he went! And I called the pups and shut them in and went down to the study feeling as if I'd done the day's good deed. And that, brother, just goes to show you!

He was gone a long time. I laughed to myself now and then as the minutes ticked off, wondering how far he'd really gone. Then the job took hold of me and I didn't realize another hour had passed before Beth called urgently from the house.

"Come up here," she said when I looked out. "Something's wrong!"

I went up the drive at a lope. Keith was lying by the kitchen step, panting. It wasn't the pant



from a normal run. It was slow and labored.

"He came crawling out of the ravine," Beth said, "and lay down here. Look—he's in pain!"

I'll say he was in pain. He'd got up on spread legs and lowered his head as if trying to vomit and trembled spasmodically and gave a moan that went right through you. Then whatever it was passed and he gave his tail a short waggle and looked at us with the most eloquent expression of fear I've ever seen in a dog's eyes.

"Something's wrong," he was saying. "Something's all wrong. I don't know what it is. But it's bad. And it scares me. Tell me what it is, won't you, please?"

We took him inside, then. He moved slowly and stiffly, stopped in the kitchen to pant and then half staggered on into the living room. He dropped on the hearth and lowered his chin to his paws and then scrambled up and went through another of those paroxysms.

"Can't you tell me what it is?" he seemed to say when it was over. "Folks, it's awful! Gosh, can't you do something?" he seemed to say, and stood there with that labored panting.

That scared, pleading look went through us like a knife.

I GOT Doc Scott on the phone and he was going to be in. I picked Keith up and carried him to the car, put him on the back seat and never minded the restricted speed zones going into town.

Now, Doc Scott was of the old order of vets. When he was young there weren't the bang-up schools of veterinary medicine there are today. He had as good preparation as a man could get then but in the light of today's standards I suppose it was rudimentary. However, he liked animals and they liked him.

"Why, the poor old fellow," Doc said when I carried Keith in. "What happened?"

I put the dog down by the pot-bellied stove and started to explain when another of those seizures came on. Doc squatted and felt the heart beat. Then, when Keith settled down again he got down on hands and knees and put an ear to the ribs—vets in those days not using stethoscopes and the other gadgets they do now. The dog smelled of Doc's hand and gave it a brief lick but I hardly noticed that then. I was hearing Doc say:

"Well, I never heard anything quite like that!"

"Pump shot?" I asked.

"All to pieces," Doc said, rocking back on his heels. "What in the world happened?"

I told my story, then—all of it; in outline just as I've told it here. That took quite a while because those spells were coming faster and lasting longer and after each one he gave me that begging look for help and I wouldn't be much good on the talk for a bit.

"That explains it," Doc said. "Those heart muscles got built up abnormally in his early years. Then he didn't have the kind of exercise that would keep them firm. When you let him go today it was as if after years at that typewriter you went out and tried to run the half mile like you would in high school or college.

"SO YOU made him your dog by getting to be chums, eh?" Doc said. "Don't it beat all—"

And then Keith had three of those damned things in a row and floundered toward me and I sat down on the floor and took his head in my lap.

"No chance?" I asked.

"Not a one," Doc said. "Besides, I've got something new." Remember, that was years ago. "One shot of this," he said, getting a package from his desk, "and they just go to sleep. No struggle. Just sleep."

"Step on it, then!" I said, trying to sound hard.

I kept Keith's head on my lap until his eyes closed and his breath was light and easy. Then Doc started to finish what he'd started to say.

"Don't it beat all," he said again, "what kindness at times and in places will do? You made him over by getting to be chums," he said. "If you'd let him keep running—Well, no telling." He shrugged and looked away from me. "But maybe—And then today you got soft-hearted and let him—You see, perhaps—" He lighted a cigar, taking quite a while at it as if finding himself out on a limb. "What I mean is, possibly—"

But I got out of there, then. I couldn't do any more for Keith and if Doc *did* have in mind what I thought he *might* have I just didn't want to have to hear it. Packing around the suspicion that he was going to say what I didn't want to hear was sufficient, mister. . . . Stay tough with 'em, I'm telling you. Don't use friendship to work 'em over from what they want to be, I'm warning you. Maybe what they want to be is best for them, understand? And if you wheedle them into something else maybe you'll live to regret same. . . .

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### OWENS FLAGSHIPS



## The "Retreat" that Led an Advance

(Continued from page 42)

being pretty good. But, aware of his own inexperience, he suspected there must be plenty of "bugs" in his notion.

When he spread his plan before the agriculture experts from Rutgers, they didn't laugh. They pointed out a good many errors and shortcomings in what he'd designed, but they assured Mazur it had excellent possibilities.

In fact, the professors bent over the drawings with enthusiasm—men like Dean William Martin, and professors Carl B. Bender, Gil H. Ahlgren, Harry E. Besley, Charles Reed and George McCutcheon.

"What we've produced is the result of four years of trial and error," Mazur said. "You'll see it in a minute."

So we followed the path to the "cowfeteria," some 200 yards from the house.

About the size of an average barn, its metal exterior flashing in the sunlight, it resembles a huge Quonset hut. In fact, the simplest way to describe it is to suggest *two* Quonset huts, the smaller built inside the larger. The space between the two is filled with hay. This is blown through an opening in the roof, loading the "cowfeteria" to capacity. Basically the place still conforms to the designs Mazur originally drew on scraps of paper.

When we walked into it, several head were feeding. They stood before a series of floor-level gates, each some eight feet wide.

The cattle reach for hay through slats that look like fence rails. While they nibble away, the weight of the hay above keeps a full, constant supply at floor level. Rather a neat idea, what?

**M**Y SILO, which is square instead of round, is built on the same principle," Mazur said. "And when the barn is empty, the cattle turn just as readily to feed at the base of the silo. We store enough feed to see them through the winter, and it takes only a small part of one man's time to look after them! Our capacity is 75 head.

"We certainly made plenty of mistakes in building this," he said. "For example, at the beginning the slats in the feeding-gate were too far apart. We found that out when one of the steers got its head between them, and, in struggling to get out, strangled itself to death. Also, we learned that we weren't

allowing enough room. The bigger, stronger cattle were shouldering the weaker ones aside, and the small fellows became weaker for lack of food."

So they had to study feeding habits. Bob Barnhart lay on a crossbeam near the ceiling and watched the cattle hour after hour, for days. He made copious notes about the things he saw. Every time he learned something new, it went into modifying the design of those feeding gates.

"Another thing we had to find," Mazur said, "was a method of blowing air through the hay, so it would dry *just enough*. We couldn't let it sour, nor could we let it dry too much. Since there was no machinery for such a blowing process, we had to design our own dryer."

**C**HUCKLING over the memories, he told us of the long days the Rutgers experts had spent with the problem, chewing grass while they stood around and swapped ideas. The dryer finally adopted—and now in use—was manufactured with the help of Continental Motors. But other firms, too, had a part in supplying the barn's equipment—the New Holland Machinery Company, the Aluminum Corporation of America, and the Bemis Bag Company, which provided special ducts for hay drying. (As you listen to Mazur tell of all this, you understand why these experiments have cost close to \$100,000, since some of the cost was involved in gifts or contributions. But the point he likes to make again and again is that, if it goes into production, his barn should become available for about \$10,000.)

"Waste has been practically eliminated," he went on. "Animals gain weight more rapidly or maintain higher production—the eventual aim. And not only is feed of higher quality, but there's a reserve which can tide a farm over in periods of drought and low production. This means Fiddler's Creek, or any other farm, can carry a maximum steer or cow population per acre, rather than a minimum. Moreover—and here's where merchandising comes in—we can sell at a period we select, rather than when the market is falling because of drought or short supply of hay and silage."

Had any other farmers adopted the use of such a self-feeding barn?

"Several," Mazur told us. "There's

a Walker-Gordon place not far from here that's done a wonderful job with a 'cowfeteria.' I'm hoping, of course, that the use of this sort of barn will spread far and wide. No reason it shouldn't. In fact, the self-feeding barn and the principle will have even greater application for dairying in the vast urban milkshed areas of the north and east than for beef production alone.

"A barn is a farm tool," he added, "a piece of equipment. When a farmer finds a more efficient tool than he's had in the past, he'll use it."

We went outside to sit on some rocks behind the barn. Here, lighting pipes, we gazed over the Jersey hills and talked in cracker-barrel fashion. Paul Mazur, in his old slacks and an ancient sweater pulled over his flannel shirt, looked like anything but a banker.

What we wanted to know, naturally, was whether the "integrated grassland cultivation," plus the "cowfeteria," had made Fiddler's Creek Farm a profit-yielding business. Mazur assured us it had. "It's gone a long way toward proving something else, too," he added, "the feasibility of raising beef cattle here in the east. If, by the intelligent growing of grass, we can provide fodder cheaply enough to raise such cattle, we in the east enjoy a singular advantage: We're in the heart of the largest consumer area in the world. That means a tremendous saving in beef-shipping costs."

**F**IDDLER'S Creek Farm, however, doesn't draw all its profits from grass and beef. Not when there's someone like Dolph Mazur around.

The banker chuckled when he talked about his wife's activities. "She just couldn't sit by idly while I worked. There were quite a few acres that Rutgers wasn't touching, and she began to speculate on how she could put them to use. So we sat down one night and faced her problem the way you face any business problem. We set down our assets—what we had in the way of land, what we were ready to spend, and an estimate of our own abilities.

"Dolph's idea—a very sound one—was that she wanted to produce something distinctive, something that would lend value to the Fiddler's Creek Farm label. We discussed cheeses, butter, and other dairy products, only to realize we'd be plunging into a highly competitive field. Frankly, Dolph wanted something unique—something with which she wouldn't



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have to buck the toughest markets in the east. What she eventually came up with—though it made me laugh at the beginning—was White Holland turkeys. Dolph decided to produce Fiddler's Creek Smoked Turkeys, specially smoked, specially vacuum-packed, specially packaged."

Knowing little about poultry,

however, the Mazurs hired somebody who did. They went about poultry raising as scientifically as they had faced grassland culture. There was no quick success. At the outset the turkeys developed an affliction which caused them to walk backwards. "Vitamin D!" said the experts, and Mrs. Mazur hastily administered cod liver oil. That

saved the turkeys, all right—but nobody would eat them because they tasted of fish. So a new problem had to be licked.

But eventually it was; and today Fiddler's Creek does about \$40,000 worth of business a year in the turkey (and smoked bacon) business alone. Raising 3,000 turkeys annually isn't big compared to some Texas farms, which turn out 100,000 yearly. Still, Fiddler's Creek now supplies some of Manhattan's swankiest restaurants.

"Together," Mazur said, "Dolph and I have proved to ourselves just about what we started out to prove—that a small farm, scientifically developed, is a sound business that can pay good dividends. You've simply got to list your assets, decide on your aims, and go about it with all the scientific and merchandising know-how you can marshal."

"A LOT of farmers, visiting here, have told me, 'Well, with the money you put into it you could do almost anything. We haven't got that kind of money.' But the point I try to make them see is this: What money I put into this venture went to prove a contention held by the Rutgers agriculturists: you can make a small farm pay. Now that Rutgers has shown a way, other farmers don't have to pay the experimental expense. They can adopt the Rutgers methods at normal, conservative, farm-operation costs. Rutgers had made it a matter of what you do rather than of how much you spend."

And then Mazur spoke as an economist. To meet today's higher living standards, he pointed out, farmers have to find ways to produce more. "They've simply got to raise grassland farming to the highest productive level that can be achieved, using modern tools, modern machinery, modern ideas. And apart from that, I see no reason why, in a machine age, the farmer has to continue the back-breaking toil of feeding cattle by hand. It's uneconomic as well as exhausting. As a business man, he's entitled to enjoy the advantages of all that technology has done in this industrial age. And he's entitled to a profit."

One of us said, "I'll bet if you put an economist alone on an iceberg for a year—somewhere off the coast of northern Greenland—he'd come off with an angle that would make the berg pay a profit."

Paul Mazur looked at us thoughtfully. "Well, if running that berg is his business, why shouldn't he show a profit?"

## Relaxation, Inc.

ART CLUBS for business men have blossomed and withered in profusion since the early 1920's, when Elbert Drew, secretary of the Illinois Bell Telephone Company, organized the first group in Chicago.

But the Los Angeles Business Men's Art Institute, which put its roots down 15 years ago, has grown like a sturdy Sequoia sapling. Now it's considered to be the nation's most flourishing.

Ask burly Will Foster, noted National Academy painter:

"Is there any other business men's art group like that in Los Angeles?"

His answer will be a decisive, "Not that I know of!"

In fact, the Los Angeles group—or BMAI as it is called—frequently gets mail from such distant points as Nashville, Tenn., Spokane, Wash., and Havana, Cuba. Most of them usually ask:

"We'd like to know your secret. We once had a club here, but it fell apart. . . ."

Key to the success of the Angeleno brush-and-palette fraternity is this: it is not merely a club, but an *institute*. "Relaxation, Inc." some wag named it. It is well-organized, maintains a staff and occupies a pleasant old mansion, for which the BMAI paid \$30,000.

Membership is restricted to 120. The range of professions represented is a wide one: stockbrokers, salesmen, bankers, a butcher, sign painter, millionaire propeller manufacturer, dentist, jewelry store owner, pharmacist, several lawyers, and an accountant.

The \$100,000 a year president of a large manufacturing industry is just "Tom" and the \$4,800 a year postal clerk is "Warren" when they pull on paint-stained dungarees and sit down before their easels.

Newcomers are invited to join with these reassuring words:

"If you are a rank beginner, you

will find others as rank or ranker. If you are pretty good, you will find others better."

The experience of Stanley Sotcher, real estate broker and now president of BMAI, is typical. Four years ago he was as interested in art as he was in polar exploration. He'd run through the hobbies of tennis, golf and fishing; and at 54 was reduced to a highball, a book, and the ignominy of being called "grandpop."

One day he visited a friend's house and saw a fine oil painting.

"Who did that?" he asked.

"I did," said the friend. "You could, too, if you'd come down to the Business Men's Art Institute."

Sotcher joined up. He hadn't had a brush in his hands since he was a kid, except once when he painted his garage.

The BMAI members meet Monday and Thursday nights, but each has his own key and can work any time of the day or night. Field trips are taken on Sundays.

Dues are \$100 a year. If a member takes advantage of the three-day-a-week instruction, it figures out to about 65 cents a lesson. Instructors are four of the best in the business: Will Foster, who teaches still life; Sam Hyde Harris, landscape; W. J. Harrison, still life and landscape; and Christian von Schneidau, life. Guest lecturers have included such famous American artists as Norman Rockwell, James Swinnerton, Arthur Beaumont, Dean Cornwell and Loren Barton.

Sotcher put his finger on the real value of painting as a hobby for the hard-driving business man when he said:

"My doctor tells me that it's the best thing I've ever done from a relaxation standpoint." He paused to wipe a brush, then added:

"He ought to know. He is over there painting a squash!"

—ANDREW HAMILTON



# The Corner Store Goes Abroad

(Continued from page 39)

had to be sold fast, often at a loss.

Since 1948, Drulingen has a model dairy farm, equipped with refrigerators and the most modern Swiss, Swedish and British machinery, bought out of Marshall plan funds. The dairy farm now works 6,000 liters of cream (corresponding to 60,000 liters of milk) a day and produces 3,000 kilos of butter and 12,000 bottles of pasteurized milk. That's a lot of milk in a country where only five per cent of all milk is sold in bottles.

I spent one night in a nearby town which has coal mines and textile factories. At the end of the war, the town's economic life had come to a standstill. There was no raw material for the textile factories; much of the mines' equipment was damaged or had disappeared. The unemployed were hanging around street corners, grumbling about the Government, listening to communist agitators.

Today there is no unemployment. The place thrives with prosperity. Bales of cotton and machinery for the mines, delivered by the ECA, have brought about a miracle that no one expected a couple of years ago. I saw 4,500 small, modern, one-family houses, very much like those in new housing projects in the States, built by American money. There is a community launderette, a self-help grocery store, an American-style dry cleaner.

**MY GUIDE**, a socialist worker, said to me, "I wish a lot of American taxpayers could come to our town. They would learn that their good money doesn't go down a drainhole, as some of them seem to think. If it were not for Marshall plan help, this place long ago would have gone communist. Now we have the smallest percentage of communists in the entire department, and the largest percentage of good will toward the United States."

Not everywhere is there enough of good will, as American business men making investments in Europe and trying their private Point 4 plan have found out. Too many European governments still make it difficult for the American enterpriser to come in with dollars and know-how. Too many Europeans still believe that we Americans should be grateful to them for gracefully taking our ECA dollars

and for not going communist.

But they can't stop the ever-increasing tempo of Europe's Americanization. You will be reminded of it 20 times a day. There are the weekly news-magazines that have sprung up in many countries and are modeled after America's news-magazines; ten cent stores; supermarkets and cafeterias and hot dog stands; American movies in the nearest movie houses. Switzerland's lightweight, high-speed aluminum trains all have the thoroughbred look of America's crack streamliners. There is the beginning of a sense of service for the customer which was nonexistent in Europe until the last war, when the customer was always wrong.

**P**ARISIAN fashion designers, once the unsurpassed kings of their trade, are showing "American-style" sports clothes and "California-style" beach wear. And a Belgian tailor said to me, "We're now getting fashion plates from London and New York."

Above all, there is the memory of the Americans in uniform, always so noisy and easy-going, forthright and generous, who taught Europeans that you mustn't walk morosely with your hands in your pockets, your eyes fixed to the ground, and that you ought to smile even when you have your troubles. And I'll never forget the old man in the French border town that has been a battlefield in both world wars.

"After the first war we showed our gratitude to the Americans by naming one avenue after Pershing and putting up a monument on the market square with the name of the American regiment," he said to me. "When the Germans came here in '41, they tore down the shield with Pershing's name and took away the monument because they needed the stones to build fortifications.

"This time it's different. Half the people in town are still getting packages from Americans who were here during the war; some of the poorer families virtually were kept alive by those gifts. Letters are going back and forth; there are photographs of Americans in every other house. We're not going to build them another monument on the market square. We've built a monument in our hearts that no one can take away."

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# The Blind Spot in Europe's Taxes

(Continued from page 28)

According to the same paper, the French tax administration has "no illusions." It notes that in the past six months an increasing number of sales took place without invoices. Certain large business houses carry on two thirds of their business without invoices. As to the small enterprises, says *Combat*, "they cheat on everything: turnover taxes and corporate profit taxes."

To re-estimate the real business turnover of small enterprises, French fiscal investigators use many tricks. They count the number of pants buttons used by a tailor. They estimate the value of the leather scraps at a shoe-maker's. They read the electric meter in a hat shop.

**T**HE TAX enforcement campaign yielded \$1,700,000 in 1949 and is expected to bring at least 25 per cent more in 1950. The fiscal reform of 1948—even watered down by the French Parliament—closed a few loopholes, coordinated the control of all taxes—direct, indirect and registry—and considerably increased the penalties for tax violations. By 1951, income tax collections will be on a pay-as-you-go basis wherever possible.

The campaign against tax evasion is not expected to attain its maximum effectiveness for three years. The difficulty stems out of trying to check taxable income in a country where cash is traditionally used instead of checks, and where numerous individually owned and operated industrial and agricultural enterprises shun modern bookkeeping.

The French tax administration complains that parliamentary intervention frequently prevents it from increasing the severity of punishment for tax violation. And the farmers are such an important political element in the French society that the tax administration thus far has been unable to establish realistic taxation on their incomes. The tax authorities are obliged to negotiate annually with the farmers on determining taxable agricultural income. Moreover, in 1949, the French Parliament placed a ceiling on the overall amount which may be collected from farmers. As a result, farmers as a whole paid only one per cent of their income in taxes. But they could not escape the indirect taxes

which they had to pay when buying consumer goods and services.

Despite the shortcomings and handicaps, there is a new, healthy trend in French tax legislation. The fiscal reform in the fall of 1948 is a step in the right direction. And a special tax evasion committee has been set up to investigate and make recommendations.

American officials from the Economic Cooperation Administration should be credited with helping to bring about this new trend. They discreetly advised French officials that the American taxpayer may renege on helping countries where evasion appears to be practiced on a large scale.

In Belgium, ECA officials have less ground for complaint. This country does not use Marshall plan funds to balance her budget. (In France these funds constituted 14 per cent of the total revenue in 1949 and still make up 12 per cent.)

The Belgian tax system depends on indirect, hidden levies. But the



percentage of income tax in the national revenue is much higher in Belgium than in France. In 1949 it reached 31.8 per cent, while in France for the same year it was only 19.2.

The total burden of taxes in Belgium today is about 50 per cent greater than the prewar average. The direct taxes are about double those of prewar. When social security taxes—about 25 per cent of all wages—are added to the government taxes, the total burden in Belgium is between 33 and 36 per cent of the national income.

As in France—but not to the

same extent—individually owned enterprises, farmers, and people in the liberal professions get a better deal than wage earners and those on fixed income. As in France, executives can evade full taxation by concealing their income in non-taxable lavish expense accounts or through heavily financed trips abroad on alleged business surveys—devices not available to the ordinary wage earner. As in France, the tax collector may use "circumstantial evidence" for assessing the true income of the evading taxpayer. Fraudulent returns do not land Belgians in jail, but the financial penalties can be high.

The Belgian tax administration, recognizing the difficulty of verifying the returns of people in the liberal professions, subjects them to higher tax rates. In 1948, the Minister of Finance stirred up a debate by accusing physicians of paying only a fraction of what they owed the Government. Physicians denied the charge.

**O**NE Ministry of Finance official complained that there appears to be less civic responsibility than in the United States. He referred to articles in Belgian theological reviews which discussed whether it was ethical to evade taxes or defraud the customs. Some writers took the view that when one feels that the state spends too much, or improperly, tax evasion may take on the character of reasonable self-defense.

On the whole, the Belgian tax situation is better than in many other continental countries.

When it comes to taxes, Italy is in a class by herself. The Italian tax system is antiquated, complicated and ineffective. The Italian taxpayer does not have to file a tax return. It is up to the state to determine his income. Tax collectors are not government employees but are private agents who work under contract to the Government. They are paid on a commission basis, getting about six per cent of the amount they are able to collect.

Generally, an anonymous letter will launch a series of visits to a taxpayer's office and residence. A collector has no legal right to demand taxpayers' bank accounts. So he will observe how his prospect lives, count the cars in his garage and study the pedigree of his horses and dogs. He will try to find out who supplies the family; where they buy their clothes; where they spend their vacations.

Having gathered this information, he will approach the taxpayer



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er. The latter may have to admit the expenditures he is confronted with, but may argue that they were covered not out of income but from his capital. Since the burden of proof is on the collector, he will be happy if, after long, hard bargaining, the taxpayer will agree to pay a fraction of what actually should be paid.

This may sound shocking. But it is no more shocking than Italian tax rates. A married, childless Italian living in Rome and making \$1,600 a year would have to pay \$760 in taxes and collector's fees. An American with a comparable income and exemption would pay only \$42. On an income of \$8,000, the same Italian would pay \$5,000.

**N**O WONDER, then, that Italians consider income taxes—so complicated, by the way, as to be almost incomprehensible—as pure spoliation. Therefore, they do their best to conceal as much of their income as possible.

This explains why income taxes constituted only 12.6 per cent of the total fiscal revenue in 1948 and are not expected to exceed 14.5 per cent in 1950. Under these circumstances, the Italian Government must depend heavily on the excise and customs taxes which account for 61.9 per cent of the fiscal revenue. High excise taxes and customs duties inevitably result in higher prices, which hit hardest the wage earners who, after having their income tax withheld at the source, still must pay heavy taxes as consumers.

A bill to reform the tax system was laid before the Italian Parliament late in the summer of 1949 and provided for assessment and collection charges. It also required the taxpayer to submit a statement of taxable income, further providing that the first returns covering 1949 income were to fall due March 1, 1950. But the bill has yet to be passed.

When ECA Administrator Paul G. Hoffman visited Rome in 1948, he called the attention of the Italian Government to the necessity of reforming the tax legislation. A leading Italian statesman sighed and said:

"Mr. Hoffman, for more than 20 years, under Mussolini, anti-Fascist Italians considered it a patriotic gesture not to pay their taxes. It may take us, I'm afraid, a few years to realize that it is now patriotic to pay taxes."

The tax system goes back to the latter half of the nineteenth century. But the Fascist regime, the war, inflation and the black market

have brought the situation to the point where reform has become urgent. Both Italian and United States officials hope it will be achieved before American economic aid ends. The counterpart funds from American-aid dollars constitute 12.1 per cent of Italy's total fiscal revenue.

Italian officials point out that the Marshall plan offers another opportunity to achieve the indispensable tax reform. American accounting and checking machines delivered to Italy under the aid program are helping to make modernization of the antiquated Italian bookkeeping possible.

Greece has the distinction of having the worst tax situation of all the Marshall plan countries. It is so bad that American officials in Greece had to warn the Greek Government that, unless it made needed reforms and put its financial house in order, economic aid might be suspended. Greece is the sole instance where American officials had to use such language.

As a result of the Greek civil war, 24.4 per cent of the budget goes for national defense and 15.3 for war pensions and veterans' aid. The Greek Government needs funds to meet these expenses. But both before and since the war, revenue from income taxes, inheritance and gift levies has covered scarcely more than ten per cent of Greece's total fiscal needs. The percentage was as low as 7.5 per cent in 1949. It is hoped that it may be raised to 12.8 in 1950.

On the other hand, 30.2 per cent of the Greek fiscal revenue in 1950 is expected to come from the counterpart funds of American economic aid—the highest percentage of all Marshall plan countries.

**T**HIS tax burden is made still more intolerable by the fact that the Greek Government collects taxes not only for its own needs but for various pension funds and charitable institutions—with some of the money going for political use. All legal documents are taxed for the benefit of a lawyers' welfare fund. Prescriptions filled in drug-stores are taxed for the benefit of a physicians' fund and pharmacists' pensions. Letters are taxed for the benefit of a mutual-aid fund for postal employees.

But, while the Greek consumer is squeezed to the utmost, the small clique of wealthy Greeks—especially the shipowners—escape taxation on most of their earnings. In 1949, under the proddings of American missions, the Greeks made a

not too successful effort to collect shipowners' taxes for 1947 and 1948.

As to the trade, a large part of their profits also escape taxation, because they result from black or gray market operations, most of which cannot be traced. Business records are almost nonexistent. Under prodding of American officials, a bill was passed in 1948 requiring the keeping of books and records and the compulsory use of checks for various transactions. Fines were provided for delay, falsification or failure to submit returns.

Despite these reforms, tax collection remains inadequate. This explains the public blast American officials administered to the Greek Government in the spring of 1950.

**A**MERICAN officials in the Marshall plan countries hesitate to interfere in a government's internal affairs. On the other hand, they consider it their duty to see that such countries make the most effective use of American economic aid.

Indirect taxes, when too burdensome, can become dangerous. They sap the consumer's purchasing power, destroy incentive to increase production and compromise recovery. Such levies also breed social unrest.

On the other hand, too burdensome income taxes can destroy incentive and, by tending to level off incomes, sap free enterprise. It is interesting to recall what Lenin wrote in 1917 about Swiss tax legislation.

"Direct federal taxation would be an instrument through which Switzerland could easily be socialized."

And, indeed, left-wingers throughout the world are partisans of almost confiscatory direct taxation.

The best tax system is that which keeps a proper balance between direct and indirect taxation. This is possible only in countries where income taxes are properly collected.

This has been the guiding idea of American officials in the Marshall plan countries. Communist propaganda has pictured the Marshall plan as an American device for the exploitation of the workers and of the economically weak for the benefit of the privileged rich. The truth is that Marshall plan officials in European countries had as their aim only a fair distribution of the tax burden, so as to help the wage earners increase their purchasing power.



# By My Way

By R. L. DUFFUS



## Good word for Britain

MY WIFE and I, as previously predicted in these columns, have been visiting the British Isles. I am glad to go on record, in case any Britisher is interested, as being much pleased with England, Wales, Scotland and Ireland. We liked the scenery and the people and at times we even liked the climate. I thought, as we stood in the waiting room at the airport, that we might have gone almost anywhere in the world—Caracas, Amsterdam, Rio de Janeiro, the Far East, the Far West and the place where East and West meet—if we had cared to and had had enough time and money. But we chose to go to the British Isles, which I hope will appreciate the compliment.

## Danger of boredom

WE WENT and returned by air, and were told that our last continental stop going east was Goose Bay, Labrador, and our first continental stop coming west was Moncton, New Brunswick. But I can't say that I have really been, this trip, to Labrador or New Brunswick, one outlying airport is so much like another. When I first crossed the Atlantic by air I braced myself for a great adventure. That was last year. This year, in spite of a tendency to look for cracks in the wing or listen for funny noises in the engines, what I most dreaded was boredom. This danger is being manfully faced by the air lines. Our plane, for example, had a downstairs cocktail lounge, where, I was told, excellent drinks were served.

## Names on the map

AS WE scooted about Britain—and scoot we definitely did over most of England, North Wales and Scotland—we made note of the British genius for place names. What other nation would have thought of Stoke Pogis, Biggleswade, Shepreth, South Mimms, Upper Tooting (or Lower Tooting, either), Pye-

combe, the three Wallops (Middle, Bottom and Over), Sampford Peverell, Pokesdown, Nursling, Sway, Warmley, Much Wenlock, Thirsk, Thornton Rust, Nibthwaite or Crook? We, of course, have Schenectady, Walla Walla and, for that matter, Chicago. But I believe British road signs, even omitting the Welsh or Gaelic, are more interesting than ours.



## Ravens, rooks and dukes

THE Tower of London, which we duly visited along with many other famous places in Britain's mighty capital, includes in its garrison six ravens—never more and never less. When we were there each raven had a meat ration (so we were told) larger than that allotted the adult human being. Their duties were vague, to me if not to them, but it appears that they and their predecessors had been there since the time of Henry the Eighth, and now no one would dream of having five ravens, seven ravens or no ravens in the Tower.

This reminds me that in Nottinghamshire our driver tried to explain the difference between crows and rooks. One difference is that either the crow or the rook (I forgot which) has a yellow bill. Another is that crows are individualists, whereas rooks live together in rookeries. Unfortunately we just then happened into an area known as "The Dukeries," I suppose because of the abundance of dukes once located there. This has left me in a state of pitiable confusion. I think I can tell a duke from a rook but I have an uneasy suspicion that dukes live, or once lived, in trees and have, or once had, yellow bills. I mention this incident be-

cause it illustrates the danger of trying to learn too much at one time.

## Changing the guard

I ASSIGNED my wife to inspect the changing of the guard at Buckingham Palace. She said it was nicely done. Later I came past and looked at the sentries until one of them suddenly stamped his feet three times and began to march in my direction. Then I left. (I was told later that this was normal procedure and not directed at me but I was not taking any chances.) I wonder if a guard ever eats peanuts and throws the shucks around when he is off duty.

## What—above 50!

THERE WERE some chilly days and nights while we were in Britain, and we found that the British don't care how hot a room gets, provided it doesn't get much above 50 degrees Fahrenheit. This is not due to penuriousness, because in some hotels the maids would leave the radiators turned on (and quite lukewarm in some cases) and then open all the windows. To the Britisher, chilliness appears to be a positive good, like unselfishness. He would not be comfortable if he were warm enough. The only time I was warm during the chilly spells was when I was in bed with one of those lovely British quilts or comforts over me. Unhappily these have slippery surfaces, and the only uncertainty is not whether they will fall off during the night but whether they will fall on the right side of the bed, the left side or over the foot. On



the other hand the hot-water bottle is a national institution. Some travelers carry this with them (we were confused when we were first asked if we had our "bottles" along), but often they are provided by the management—and how good and kind the Britons do seem when one encounters a hot-water bottle unexpectedly in one's bed!

## Dull day in the Commons

I FOUND I could do something the King of England can't do—I could, by making application at the right



place, visit the House of Commons while it was in session. It was still sitting in the chamber belonging to the House of Lords when I was there, though its own more ample quarters, damaged by German bombs during the war, were nearly restored. The House of Commons is more formal than either branch of our Congress. The speaker wears a wig and robes and is preceded by an usher and mace bearer. I wouldn't care to get hit by that mace, ornamental though it is. But there is one resemblance between the House of Commons and the American Senate or House of Representatives: if you aren't especially interested in the subject under discussion it is so dull you could break down and cry. I tiptoed out after a little while and went walking along the Thames embankment and turned off into Artillery Row and Birdcage Walk and got lost. You really don't know a strange city until you've been lost in it.

## Sunday in Hyde Park

HYDE PARK at the Marble Arch, where anybody who wants to can make a speech, is often more interesting than the House of Commons. We strolled from group to group one Sunday afternoon and could have been converted to any one of a dozen economic, political and religious beliefs if we had been susceptible. We checked the famous story about the speaker who proposed to burn Buckingham Palace and the policeman who said, "Them as is for burning Buckingham Palace form on the left." There is no proof that it isn't true, but on the other hand the palace is still there. I thought of making a speech myself, advocating the abolition of the cold bath or something, but before I could get my throat cleared a new meeting had started on my spot. The speaker, as I recall, was advocating the repeal of all tax legislation, or possibly it was a diet of raw turnips.

## Eton's playing fields

WE VISITED Eton, on whose playing fields, the Duke of Wellington said, the Battle of Waterloo was won. This statement has always puzzled me because, as I understand, there were quite a few Englishmen, Scots, Irishmen and even some Germans present at Waterloo who were not graduates of Eton. However, the famous fields are still there and the school is still so good that prospective students have to be registered at birth if

they wish to be admitted. Some English boy babies forget to do this and are sorry when they reach preparatory school age and have to go to Rugby or somewhere.



## King Alfred et al.

HISTORY crowded in on us, sometimes when we least expected it. There was the village where, as we casually learned, King Alfred was staying when he burnt the famous cakes. Even today there is no bakery in that village. There were cathedrals begun 1,000 years ago or so. There were fragments of Roman walls, some uncovered by German bombing in London City. There was Old Sarum, its origins hidden in mystery, but well situated and a pleasant place to live if only its ancient houses had kept their roofs. There was Stonehenge, where 3,000 years ago men set up huge rocks in a circle and then placed other huge rocks across their tops. The Druids worshipped at Stonehenge centuries and centuries ago before Christianity came to Britain, but they didn't build it—they were, in a way, modern men utilizing ancient ruins. In this country we think a house is old if Washington slept in it; in Britain such a house would still smell of its original coat of paint.

## Keeping fit

I GOT the impression, after traveling many miles of highway between the south coast of England and the Moray Firth, that British babies are first taught to ride bicycles and later pick up walking as a secondary accomplishment. We saw boys, girls, young married folks, hale middle-aged men and women and some elderly individuals riding bicycles, in many cases miles and miles from a possible stopping place. And they didn't dawdle. They seemed to dislike to get off their saddles for anything short of an actual precipice. The young among them often seemed to be having a good time. The older ones, on the other hand, obviously were paying tribute to that great British virtue—keeping fit. Personally, I too like to keep fit, but I got so tired watching other persons

riding bicycles that I never got on one during my stay in Britain.

## The midnight daylight

IF YOU went directly west from Edinburgh you would find yourself in Labrador. This is caused by the Gulf Stream or something. The result is that in Edinburgh and adjacent areas the summer days are long. One Edinburgher told me that in late June and July he could sit in his garden and read his newspaper all night long by natural light. The fact that he did not do this, because he had found by experience that staying up all night made him sleepy, shows that he was a sensible man whose word could be relied on. In winter, of course, he had to turn on the lights soon after lunch. You don't get much in this world without paying for it, especially in Edinburgh and points north.



## Scots still Scottish

I NEVER heard a bagpipe while we were in Scotland but I was glad to learn that 50,000 Scots know how to play this instrument, and indeed can't be stopped from playing it when they feel the urge. We saw plenty of men wearing kilts—and braw figures they made, too. We concluded that the Scots aren't losing their distinction and getting confused with other and more numerous races.

## As to British food

EVERY AMERICAN traveler who visits Britain is expected to report on the food. My report is that it will sustain life, that it is better outside London than in London, that it gets better as one goes north, that it is better in Scotland than in England and that gourmets from England eat themselves glassy-eyed when they arrive in Dublin. I should like to add that the British oyster is lukewarm, flabby, gray and discouraged. Yet it is not lethal, for I tried it several times and am, as I believe, still alive. British beer or ale is, as the man said, served lukewarm—just like the oyster. But one can and does get used to it, or so I am told. Several



waiters dropped dead, or at least had to be assisted from the room, when my wife and I refused ice water. In general I noticed that the longer the tails of the waiters' coats the better the food. When they almost swept the floor we could count on an excellent meal. We both came home weighing about as much as when we left. This, I should say, is all that need be said about British food. It could be worse. I could find worse in any state in the American Union. In fact, I have.

## "Beware of sheep"

WE SAW lots of sheep and lambs all over Britain. They looked harmless enough, especially the black-faced youngsters who stared at us with large, innocent eyes, as though wondering what we were doing so far from home. But somewhere in the Scottish Highlands, I read a sign which said: "Unfenced road. Beware of sheep." After that I was careful about stepping out of the bus or car. Nobody was going to catch me getting a leg bitten off by an infuriated Highland sheep, solicitous, no doubt, for its supposedly endangered offspring. I pass this information along for what it is worth.

## Lost: a guide book

I WOULD have remembered more of what I saw in Britain if I hadn't lost my guide book in—of all places—Westminster Abbey. The guide book told me what to see and also what to think about it. But perhaps I remember enough. The scenes run together a bit in my mind—castles and palaces, hills and lakes and sea coasts, cities and towns and empty spaces, churches and monuments and ruins. But I think I am safe in saying, even without my lost guide book, that I liked nearly all I saw; and if in my ignorance I liked some things I shouldn't have perhaps I shall be excused.

## "Queuing up"

I DON'T suppose the British like to stand in line—to "queue up" as they put it—any more than we do. But it is certainly a national custom. They queue up to buy food, to take buses, to get into theaters and I don't know what else. Queuing up becomes automatic after a while. I am sure that if a theater had 1,000 seats for a given performance and 100 persons wished to get in the 100 would queue up for half an

hour or so just for the good of their souls.

## Britain by rail

I MADE a careful study of British railways, even going so far as to ride on them. I was never quite sure, so small were the cars and locomotives, whether it would be better to get inside or to tie a little string to them and pull them. I could see one advantage in the tiny size of the engines; this was that it required more engines to haul the passengers and freight than would be needed here, and in consequence more young Britons could hope to grow up and become engineers.

From the passenger's point of view railway travel in Britain has good points. Sometimes it was lonesome, as when we found ourselves in a compartment extending clear across the car and completely inaccessible while the train was in motion. We might have died of old age in that compartment without anybody being the wiser. Happily, there was no time for this, for most of the British trains we rode arrived almost or quite on time. We had the feeling that nobody really cared whether or not we got off at the right stations or even whether we had tickets. Yet somebody always turned up when it was time for us to detrain or to change cars and we were never quite sure that we wouldn't be asked to show our tickets. For safety's sake we always bought and carried them.

I wouldn't like to ride a crowded British train, with somebody's feet on my corns. But I had some jolly moments, all alone with my wife in a compartment, my feet propped on newspapers on the opposite seat and the scenery slipping by at a good pace.

I wish British locomotives had a good, hearty whistle, like ours, echoing romantically through the night, resounding briskly in the daytime. Instead they merely squeak. But you can't have everything.

## Petunia expresses herself

PETUNIA, the philosophical Duffus cat, was a guest at Mrs. C's boardinghouse during our absence. She hoped, she said, that now that we had had our fling we would be content to stay at home for a while. As for herself, she added, she would rather have a good travel book read to her than go rushing around for foreign parts and getting all worn out. For the time being (or a few days longer) we tend to agree with her.

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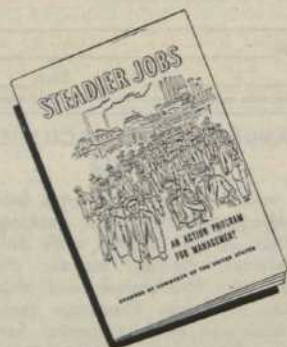
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
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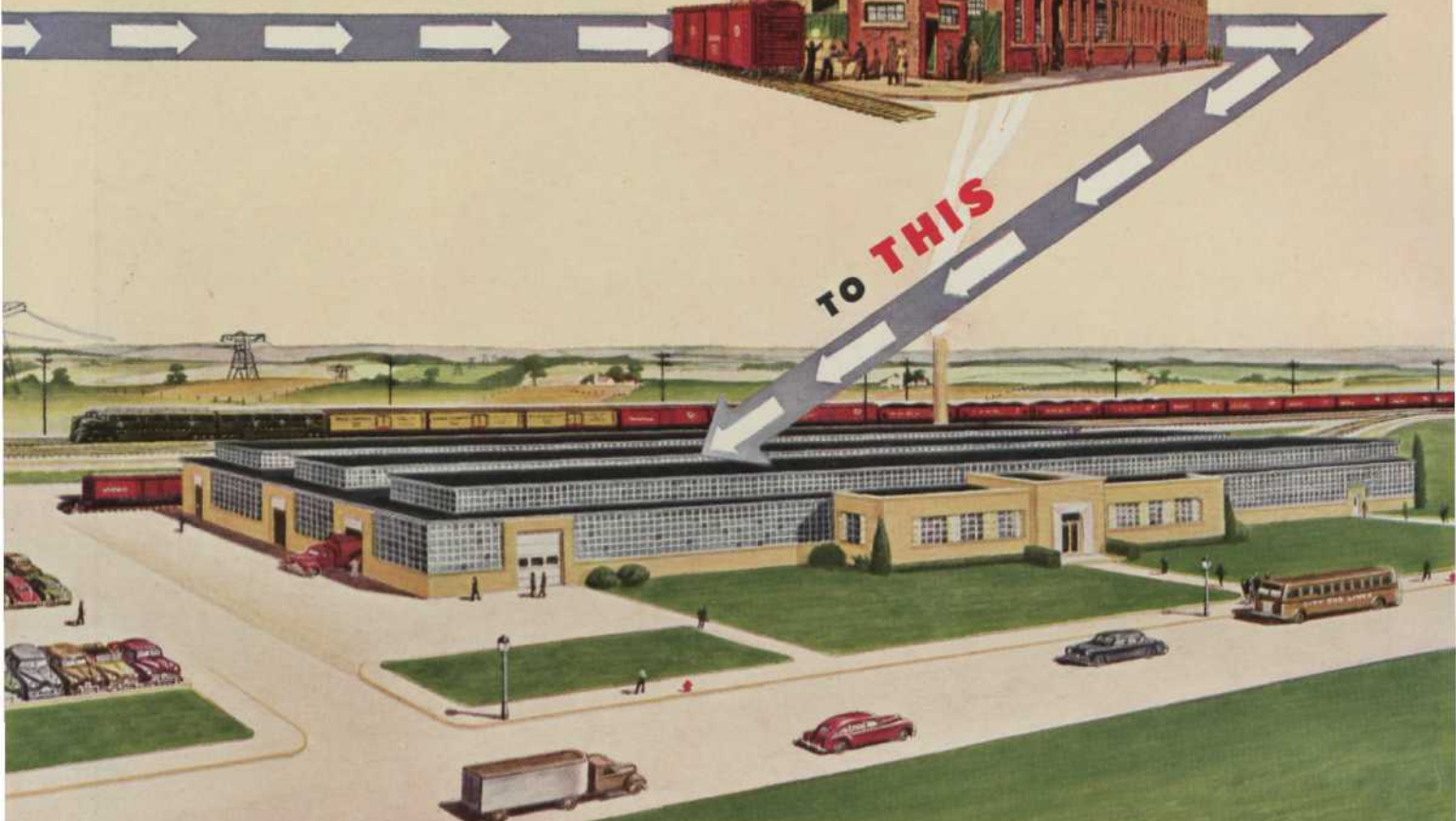
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